



# APPROPRIATIONS COMMITTEE DEMOCRATS

Rep. David Obey, Ranking Member • 1016 Longworth HOB • (202) 225-3481

## *Democrats Continue Fighting for a New Direction:* Reviewing the Record on America's Top Priorities

It might not be apparent to President Bush and Congressional Republicans, but the Bush economy isn't working for every American.

- ✦ Today, 37 million Americans live in poverty, an increase of 5.4 million since 2000.
- ✦ Seven million Americans are unemployed, one million more than when President Bush took office.
- ✦ Last year, the average CEO made 821 times as much as an American earning the minimum wage and was paid more in four hours than a minimum wage worker will earn over an entire year. A full-time, minimum wage worker earns only \$10,700 a year.
- ✦ Under the Bush administration, household income has declined by \$1,670.

The overwhelming majority of Americans are struggling to keep up with the rising cost of energy, healthcare, and college tuition. President Bush and Congressional Republicans responded by shortchanging investments in energy independence, cutting efforts to expand healthcare access, and slashing college financial aid while increasing the deficit with tax cuts for people making more than \$1 million a year.

Democrats have consistently worked to move America in a new direction. For the past several years, Democrats have fought to invest in job creation and a stronger economy, to provide every child with a chance to achieve the American Dream, and to reinstate the pay-as-you-go budget rules. Democrats pay for their new investments and deficit reduction by providing people making more than \$1 million a year with a smaller tax cut than Republicans provide – an average tax cut of \$38,918 instead of \$114,172 this year.

Here are ten examples of how Democrats worked this year to move America in a new direction along with a series of charts illustrating these points and other important budget issues.

### 1. Educational Opportunity

**The Problem:** Average American families face the "perfect storm" of record public school enrollments, stringent No Child Left Behind mandates, and continuing fiscal pressures that make it difficult for states to invest in schools. Yet, Federal funding for No Child Left Behind fell almost \$16.4 billion short of what was promised for 2007.

**The Republican Response:** This year, House Republicans cut No Child Left Behind for the second year in a row – nearly \$500 million below last year and \$1.5 billion below two years ago. They cut teacher quality grants by \$300 million, eliminated \$272 million worth of education technology grants, and cut Title I reading and math assistance for two-thirds of all school districts.

**The Democratic Alternative:** This year, House Democrats fought to provide an additional \$1.2 billion for K-12 education as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit. This would allow an additional 90,000 low-income children to receive reading and math assistance and an additional 70,000 children to have after school learning opportunities. It also includes funding to improve teacher quality and support special education.

## 2. College Becoming Unaffordable

**The Problem:** Exploding tuition costs are putting college out of the average working family's reach. Since 2001, the cost of attending a four-year public college has increased \$3,095 or 34 percent. Between 2006 and 2010, financial barriers are expected to prevent two million qualified high school graduates from attending a four-year college within two years of graduation and 850,000 of them may not be able to attend any college at all.

**The Republican Response:** House Republicans provide only a \$100 increase in the Pell Grants, causing the share of four-year public college costs paid by the maximum Pell Grant to fall to 30 percent – a new low – compared to 42 percent in 2001, and 72 in 1976.

**The Democratic Alternative:** This year, House Democrats fought to make college more affordable for average Americans by increasing the maximum Pell Grant by \$300 to \$4,350 – the amount needed to maintain the Pell Grant's purchasing power at last year's level – as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit. This is \$200 more than provided by House Republicans.

## 3. Declining Wages

**The Problem:** Despite the rising gas and energy prices, healthcare and college costs, Congress has not raised the minimum wage since 1997 and it is at its lowest level in real terms since 1968. As a result, it takes a full day's pay for a minimum wage worker just to afford a tank of gas. This is the most visible symbol of how many Americans are left behind in an economy where corporate CEOs make more in four hours than a minimum wage worker earns all year.

**The Republican Response:** House Republicans refuse to allow a floor vote to increase the minimum wage from \$5.15/hour to \$7.25 an hour over the next two years.

**The Democratic Alternative:** House Democrats have continually led the effort to increase the minimum wage. This year, Democrats successfully amended the Labor-HHS-Education bill to increase the minimum wage to \$7.25 an hour over the next two years. The House Republican Leadership refuses to even allow a vote on the bill, leading Democrats to make multiple attempts on different bills to increase the minimum wage.

**The Problem:** Globalization has forced American workers to compete against those in countries that pay lower wages and employ child labor. This uneven playing field has cost workers wages and hurt American businesses that try to do right by their employees.

**The Republican Response:** House Republicans cut the International Labor Affairs Bureau by \$60 million (83 percent). ILAB promotes labor standards, removes children from hazardous labor, and supports disadvantaged workers around the world. ILAB assistance has removed 250,000 children from exploitive work in more than 60 developing countries.

**The Democratic Alternative:** This year, House Democrats fought to protect America's workers by investing an additional \$60 million in ILAB as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit.

#### 4. Poor Quality Water Supplies

**The Problem:** A report by the Environmental Protection Agency stated that America's safe and clean water infrastructure faces a \$388 billion shortfall over the next twenty years.

**The Republican Response:** House Republicans cut efforts to keep America's water safe and clean by more than 50 percent in the last three years – \$872 million – from more than \$1.7 billion to \$888 million. The Clean Water State Revolving Fund, the major source of funding in this area, has been cut by \$622 million over the past three years – from \$1.34 billion in 2004 to only \$688 million.

**The Democratic Alternative:** House Democrats have a long record of supporting increased investments in clean water. This year, House Democrats fought to invest \$250 million more than House Republicans in clean water programs as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit. These funds would help local communities meet water quality standards, repair and replace old and decaying pipelines and treatment plants, and restore the health and safety of America's lakes, rivers and streams.

#### 5. Exploding Gas and Energy Prices

**The Problem:** America confronts an energy crisis that requires immediate action. The national average price for a gallon of regular gasoline hovers near \$3.00 and the price of oil is approaching \$80 a barrel. Yet our nation invests only a fraction of what it did on average during the Carter Administration in total energy and conservation research and development. Compared to then, in inflation adjusted dollars, we invest only: 20 percent of what we did in total energy and conservation research; 18 percent of what we did in renewable energy; 23 percent of what we did in fossil fuel research; and, 43 percent of what we did in energy conservation.

**The Republican Response:** House Republicans have failed to make America's energy independence a national priority and have instead provided billions in subsidies to big energy companies.

**The Democratic Alternative:** House Democrats have repeatedly called for real, long-term solutions to the nation's energy crisis. This year, Democrats would have invested \$750 million more than Republicans in energy research and development, clean coal, biofuels, and ethanol as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit.

**The Problem:** Last winter, natural gas and home heating oil prices were roughly twice as high as four years earlier. Yet the Low Income Heating Assistance Program (LIHEAP) was only able to serve 17 percent of those eligible.

**The Republican Response:** House Republicans cut LIHEAP by one third, from \$3.2 billion in 2006 to \$2.1 billion in 2007.

**The Democratic Alternative:** This year, House Democrats fought to provide the full \$3.2 billion for LIHEAP as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit.

## 6. Rising Crime and Violence

**The Problem:** Last year, murders rose 4.8 percent, the largest increase in 15 years. More than 16,900 people were murdered in 2005. Overall, violent crime increased by 2.5 percent, the largest percentage increase since 1991.

**The Republican Response:** House Republicans cut State and local law enforcement funding by 46 percent compared to 2001 – from \$4.5 billion to \$2.3 billion for 2007.

**The Democratic Alternative:** House Democrats have long supported funding for State and local law enforcement. This year, Democrats fought to provide \$312 million more than Republicans for State and local law enforcement as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit.

## 7. Inadequate Homeland Security Protections

**The Problem:** Four and a half years after September 11th, America still has far too many vulnerabilities left wide open for terrorists to exploit in the area of border and port security.

Despite a great deal of talk about border security, both our Northern and Southern borders are not as well protected as they can or should be and we still have not provided the additional 4,000 additional border agents Congress said were necessary in the Intelligence Reform Act.

In 2001, the Hart-Rudman Commission reported that port security was underfunded and seaports were vulnerable to terrorist attacks. The Coast Guard estimated that billions were needed to improve port security.

**The Republican Response:** Soon after 9/11, President Bush told Congress that he would veto any homeland security above his request. As a result, even nearly five years after terrorists struck the World Trade Center and the Pentagon, we are still far short of what experts say is needed to truly secure our borders and ports.

This year, House Republicans provide only a six percent increase in total Homeland Security spending. As a result, they have fallen 745 border agents short of the 4,000 additional agents mandated by the Intelligence Reform Act. Republicans have also provided only 13 percent of the amount the Coast Guard estimated was needed for port security.

**The Democratic Alternative:** House Democrats have consistently fought to increase America's border and port security capabilities.

This year, Democrats worked to fully fund the additional 4,000 agents, the more than 34,000 detention beds as called for in the Intelligence Reform Act, and the additional technology and surveillance needed to protect America's borders as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit.

House Democrats also would have provided an additional \$600 million to increase port security grants, strengthen the Container Security Initiative, improve Coast Guard vessel identification technology, and fully fund Customs, Border Patrol, and Coast Guard inspection operations that are currently experiencing shortfalls.

## 7. Inadequate Homeland Security Protections, continued

<p><b>The Problem:</b> The 2003 Hart-Rudman report found that "America will fall approximately \$98 billion short of meeting critical emergency responder needs over the next five years if current funding levels are maintained."</p>	<p><b>The Republican Response:</b> House Republicans cut state homeland security grants by \$1.3 billion (39 percent) compared to 2003 – below even the level the Hart-Rudman report had deemed inadequate.</p>	<p><b>The Democratic Alternative:</b> House Democrats have a long record of supporting first responders. This year, Democrats fought to provide \$600 million more than Republicans to support emergency preparedness personnel, improve emergency response plans, and bolster the capabilities of firefighters as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit.</p>
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## 8. Broken Promises on Veterans Healthcare

<p><b>The Problem:</b> The VA has been unable to keep up with the increasing demand for veterans' healthcare. In 1995, VA treated 2.6 million veterans and their families. In fiscal year 2006, the Department expects to treat more than twice that number – 5.4 million. In addition, many VA hospitals and facilities are old and in need of repair – improvements that could cost billions over the next five to ten years.</p>	<p><b>The Republican Response:</b> In the past two years, President Bush and House Republicans provided billions less than veterans groups said was needed to maintain current services in the VA healthcare system. In 2004, they fell \$1.2 billion short. In 2005, they fell \$1 billion short. Even worse, the House Republican budget would cut VA healthcare by \$8.6 billion from 2008 to 2011.</p>	<p><b>The Democratic Alternative:</b> House Democrats have consistently stood with veterans and veterans' service organizations to improve the VA healthcare budget.</p> <p>In 2004 and 2005, House Democrats stood with veterans' organizations who knew the Republican VA budgets were billions of dollars short. This year, Democrats fought for an additional \$2.6 billion as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit. This increase would prevent increased enrollment fees and deductibles for military retirees, support long-term care, allow the enrollment of Priority 8 veterans, and improve mental health and prosthetic services.</p>
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## 9. Lack of Access to Healthcare

**The Problem:** Nearly 46 million Americans are without health insurance – 5 million more than in 2000.

**The Republican Response:** Under House Republicans, efforts to expand healthcare access have lost 8 percent of their purchasing power compared to two years ago. Health professionals programs aimed at bringing more doctors and dentists to underserved communities were cut by 45 percent in actual dollars compared to 2005. Maternal and child healthcare grants lost 24 percent of their purchasing power compared to 2002.

**The Democratic Alternative:** House Democrats continue to fight to expand healthcare access to average Americans. This year, Democrats would provide \$339 million to restore the Republican cuts as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit. Democrats also worked to address other health access issues, such as bringing dental care to underserved areas and alleviating the nursing shortage.

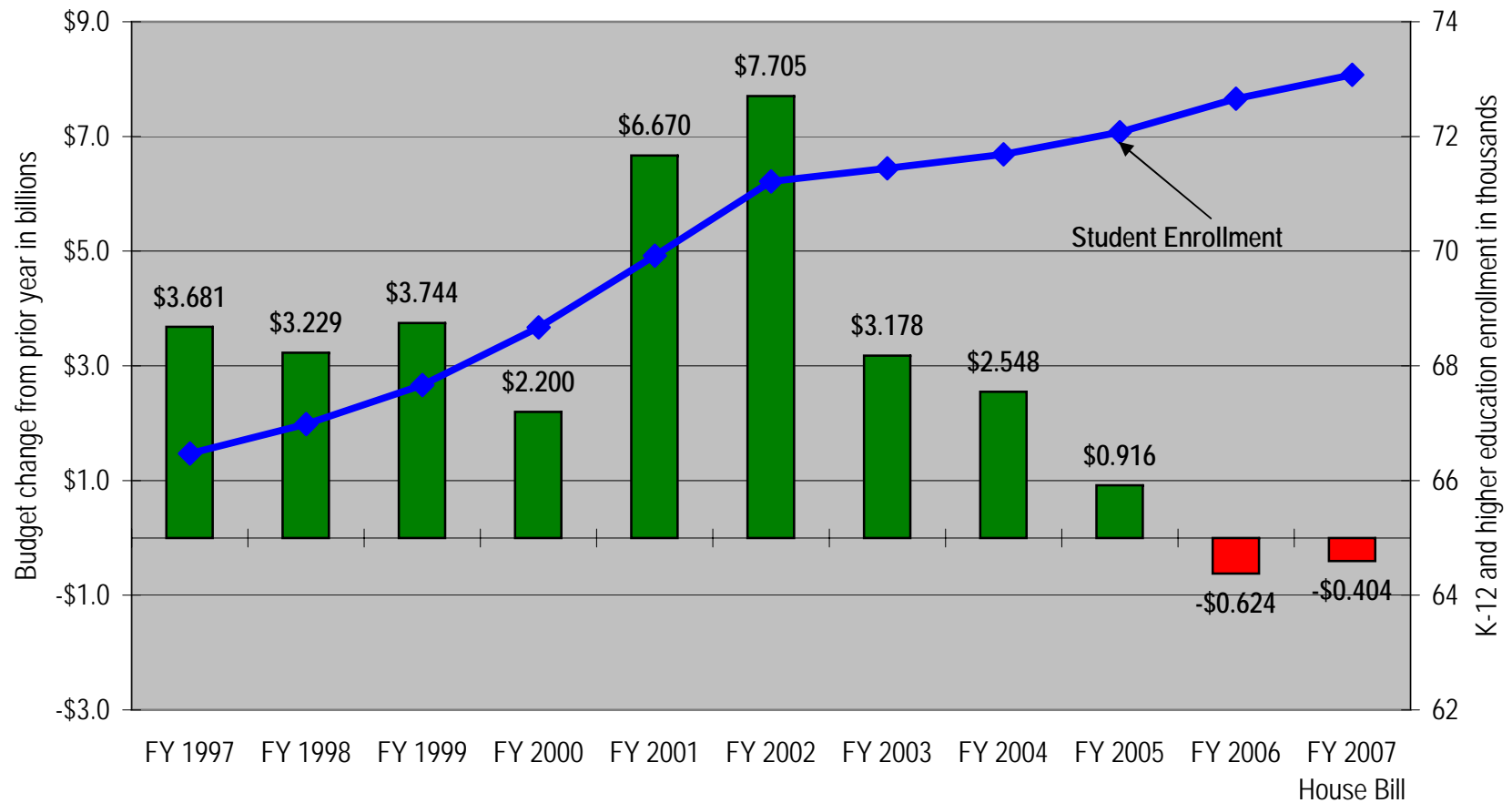
## 10. Crumbling and Threatened National Parks

**The Problem:** A study of 12 popular parks issued last month by the Government Accountability Office found that all 12 were cutting services, including “visitor center hours, educational programs, basic custodial duties and law enforcement.” Many environmentally sensitive and important lands, including parcels near Grand Teton and Mount Rainier, are threatened with imminent development.

**The Republican Response:** House Republicans have cut funding for the National Park Service by nearly \$100 million for next year and slashed funding to acquire threatened properties in order to protect the integrity of national parks by 85 percent or \$432 million since 2001.

**The Democratic Alternative:** House Democrats have long fought to eliminate the parks service maintenance backlog and address staffing shortages. This year, Democrats fought for an additional \$150 million for maintenance and staffing as part of a fiscally responsible plan that reinstates pay-as-you-go budget rules and reduces the deficit. An additional \$150 million would also be provided to acquire threatened properties in order to protect America’s national parks.

## Educational Opportunity: Education Is Cut for the Second Year While Student Enrollment Continues to Climb

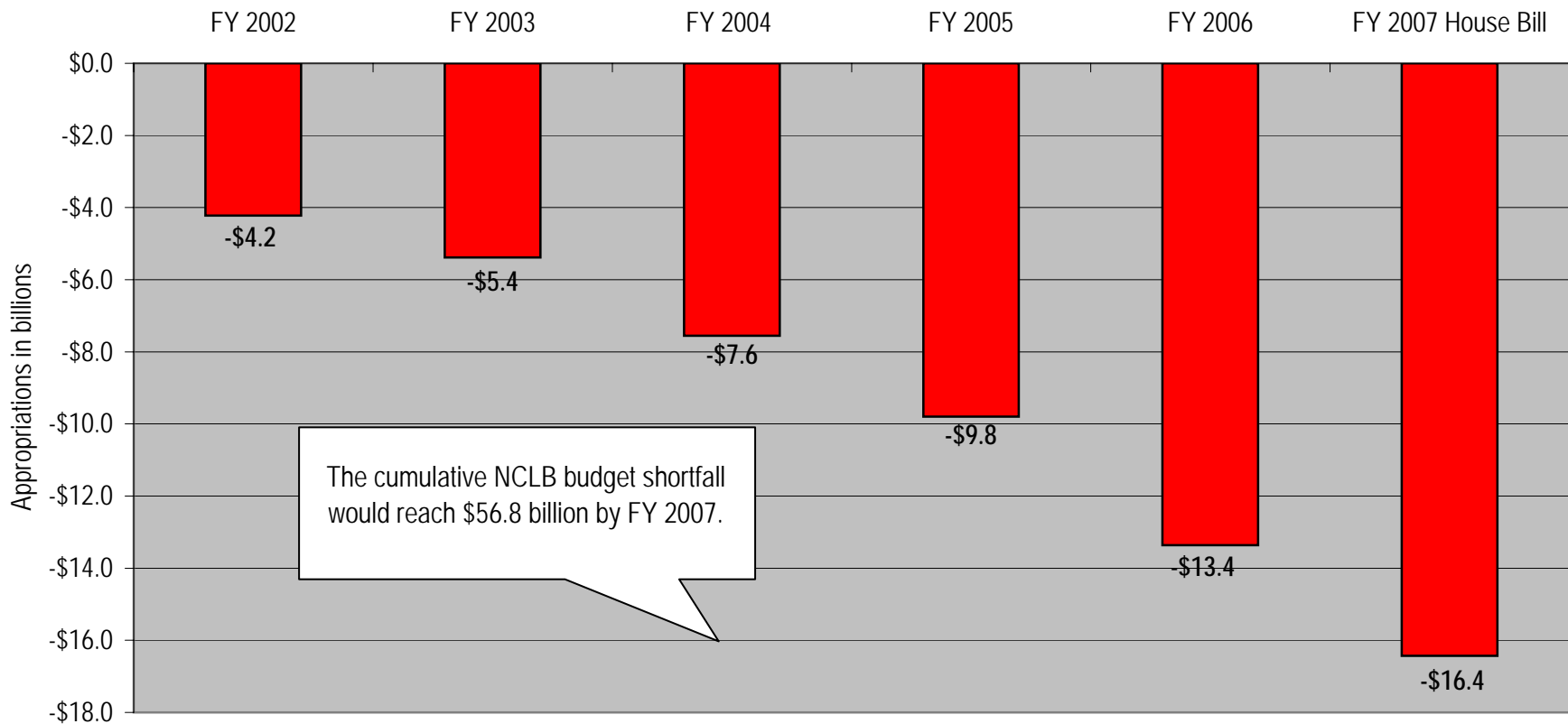


Note: Discretionary program level for the Department of Education, adjusted to reflect reclassification of section 458 student aid funds for comparability. Excludes emergency Hurricane Katrina assistance.



## Educational Opportunity: No Child Left Behind Funding Falls Short

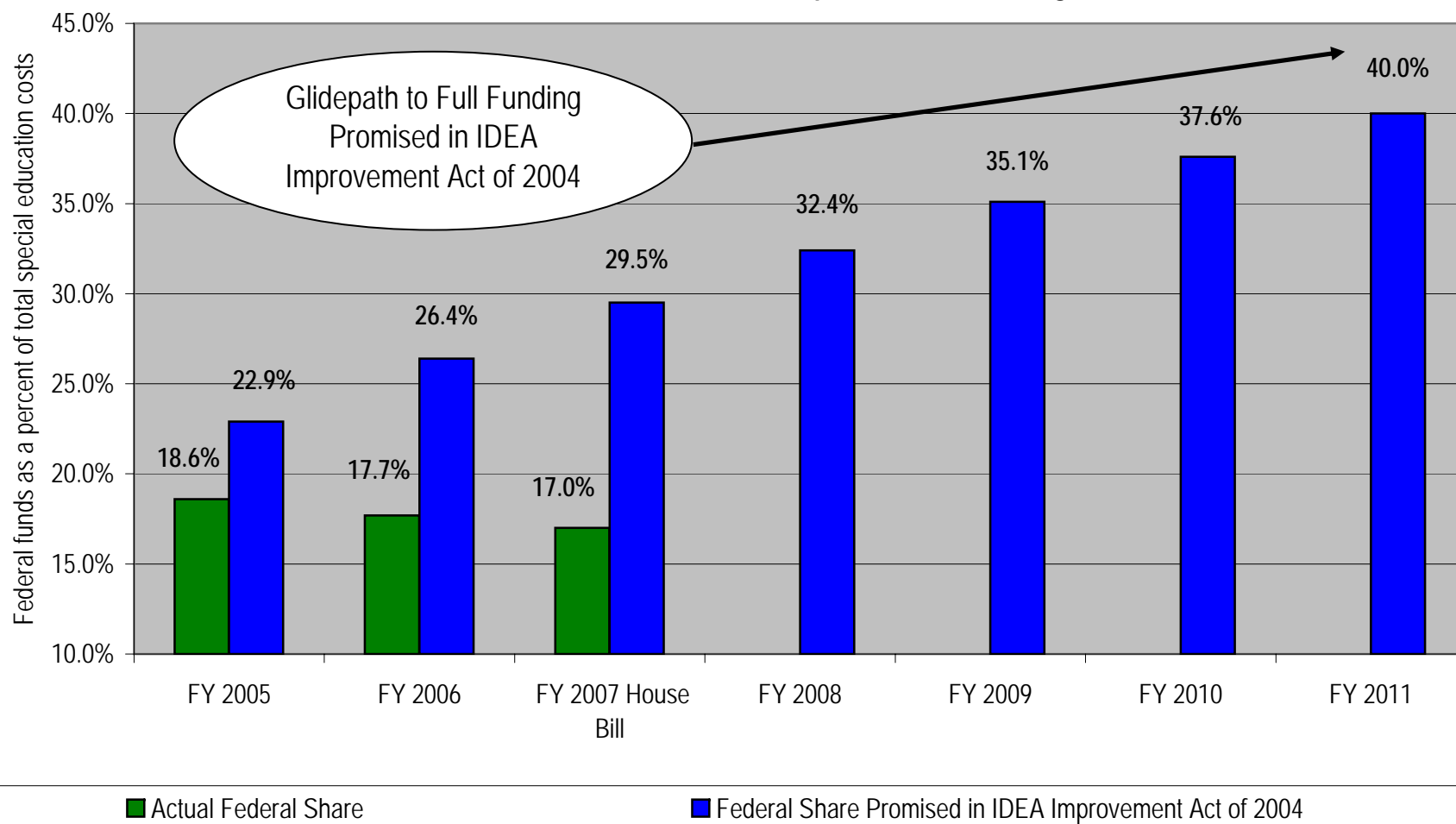
*"States and districts lack both the funding and the staff capacity to carry out all of the demands of NCLB ... Some 80% of school districts said they had costs for NCLB that were not covered by federal funds."* Center on Education Policy, March 2006.



Note: Program level.

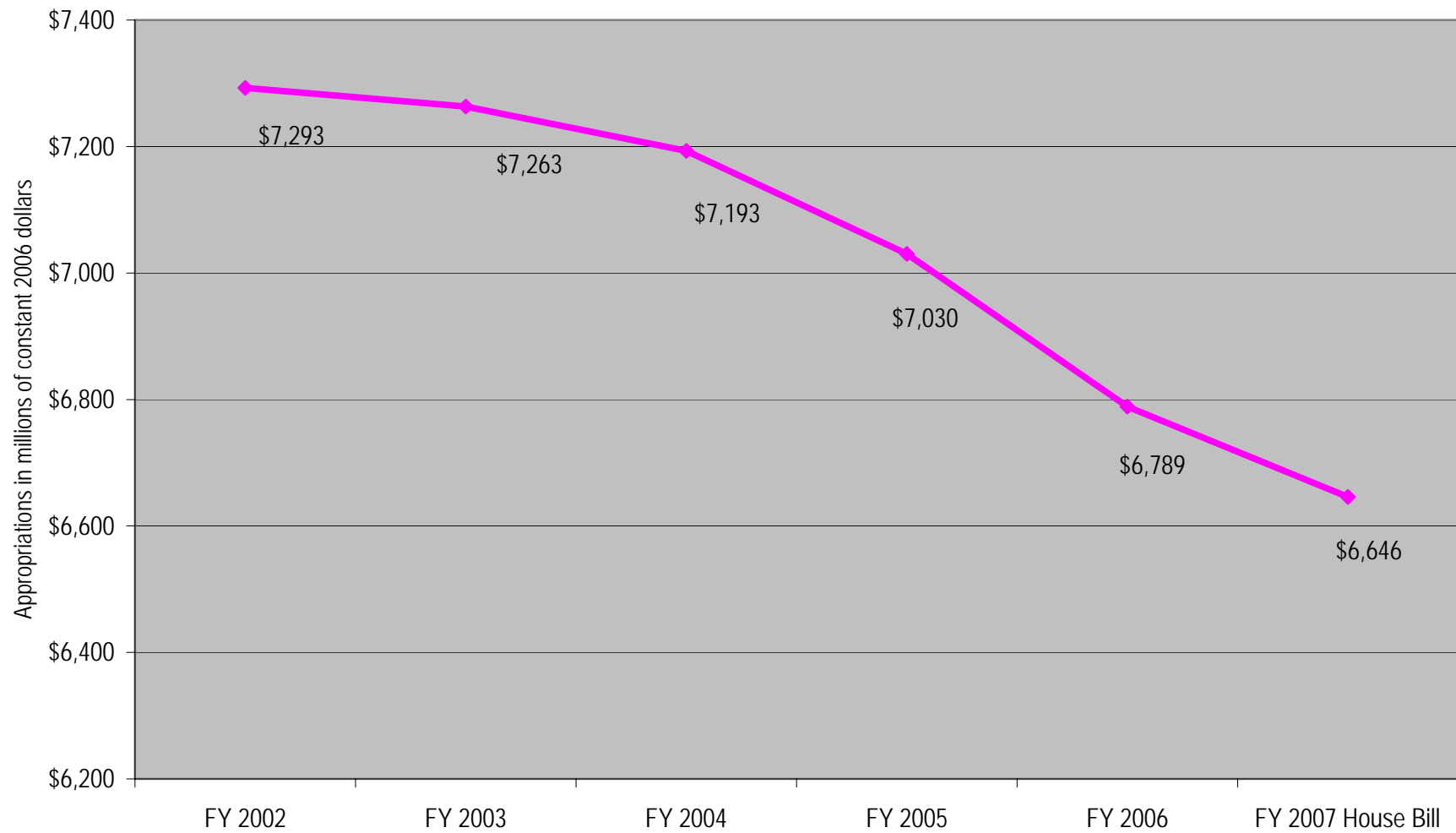


# **Educational Opportunity: Unfunded Mandate Grows - Federal Share of Special Education Drops and Falls Further Off Promised Glidepath to Full Funding**

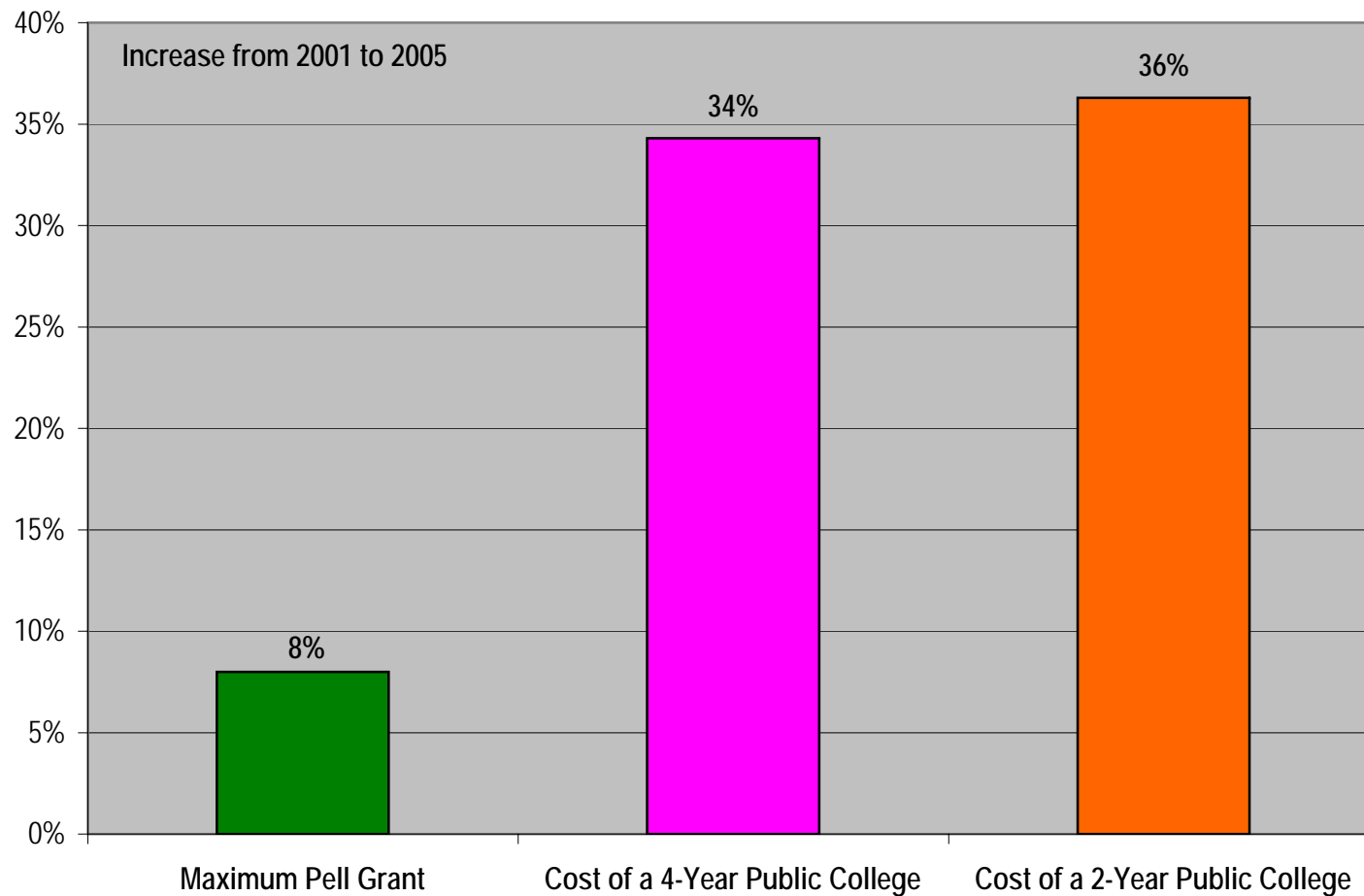


Note: Estimates of the annual Federal percentage share authorized by the IDEA Improvement Act of 2004 provided by the Congressional Research Service.

# Educational Opportunity: Purchasing Power of Head Start Funding Has Decreased by 9 Percent Since FY 2002

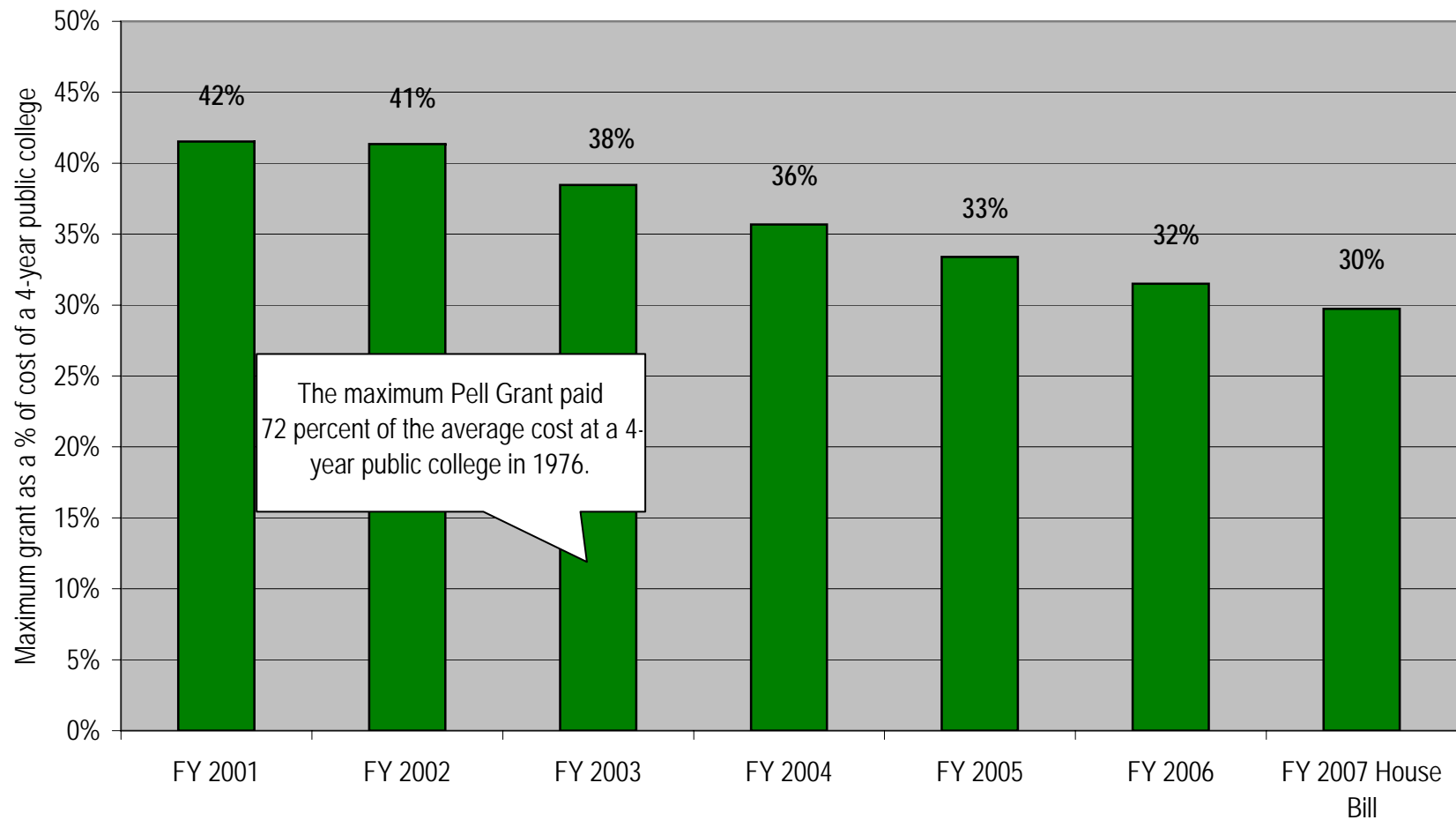


## College Becoming Unaffordable: The Pell Grant Has Not Kept Pace With College Costs



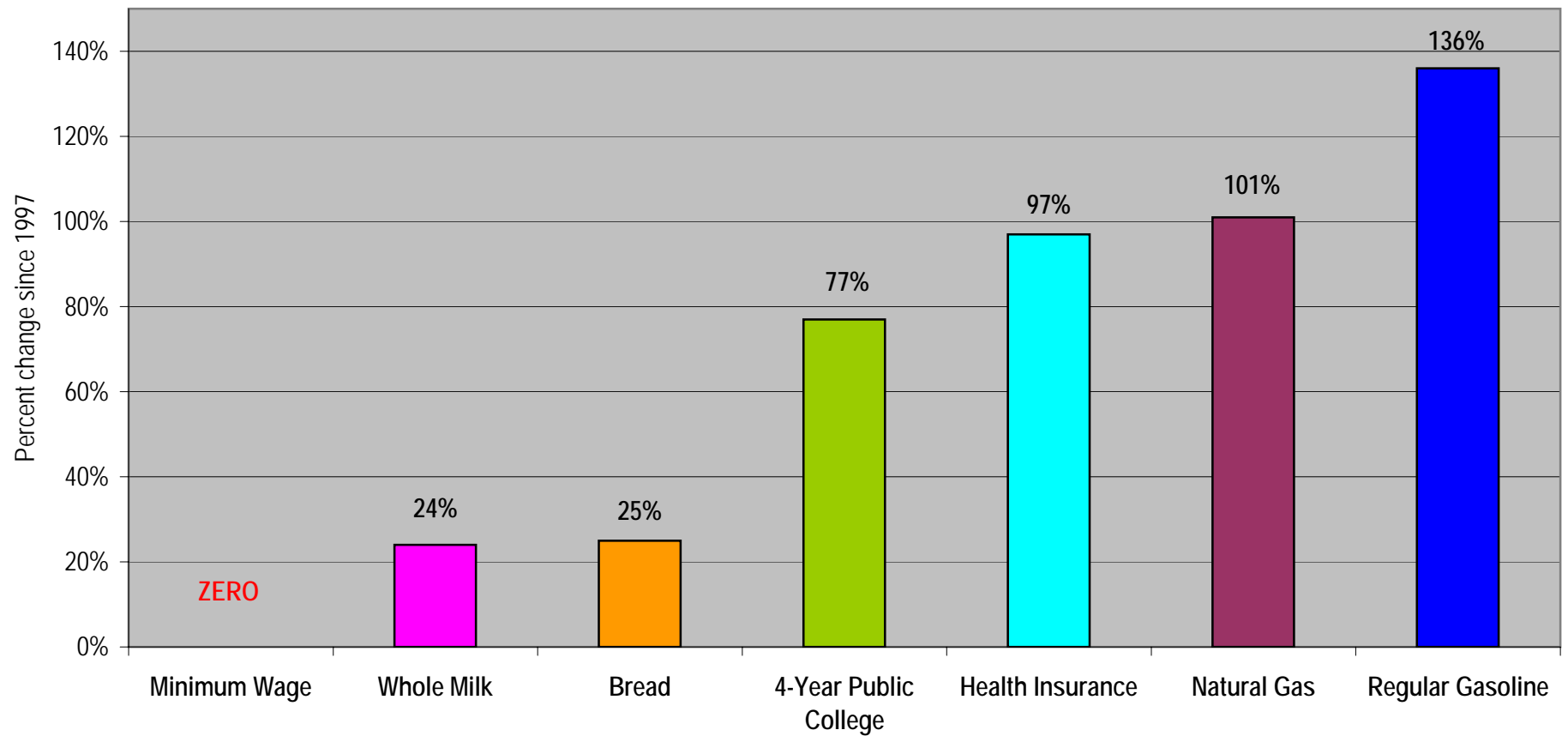
Note: Cost of college includes tuition, fees, room and board. Cost of college data from the College Board.

## College Becoming Unaffordable: The Maximum Pell Grant Would Pay Only 30 Percent of the Average Cost of a 4-Year Public College in 2007



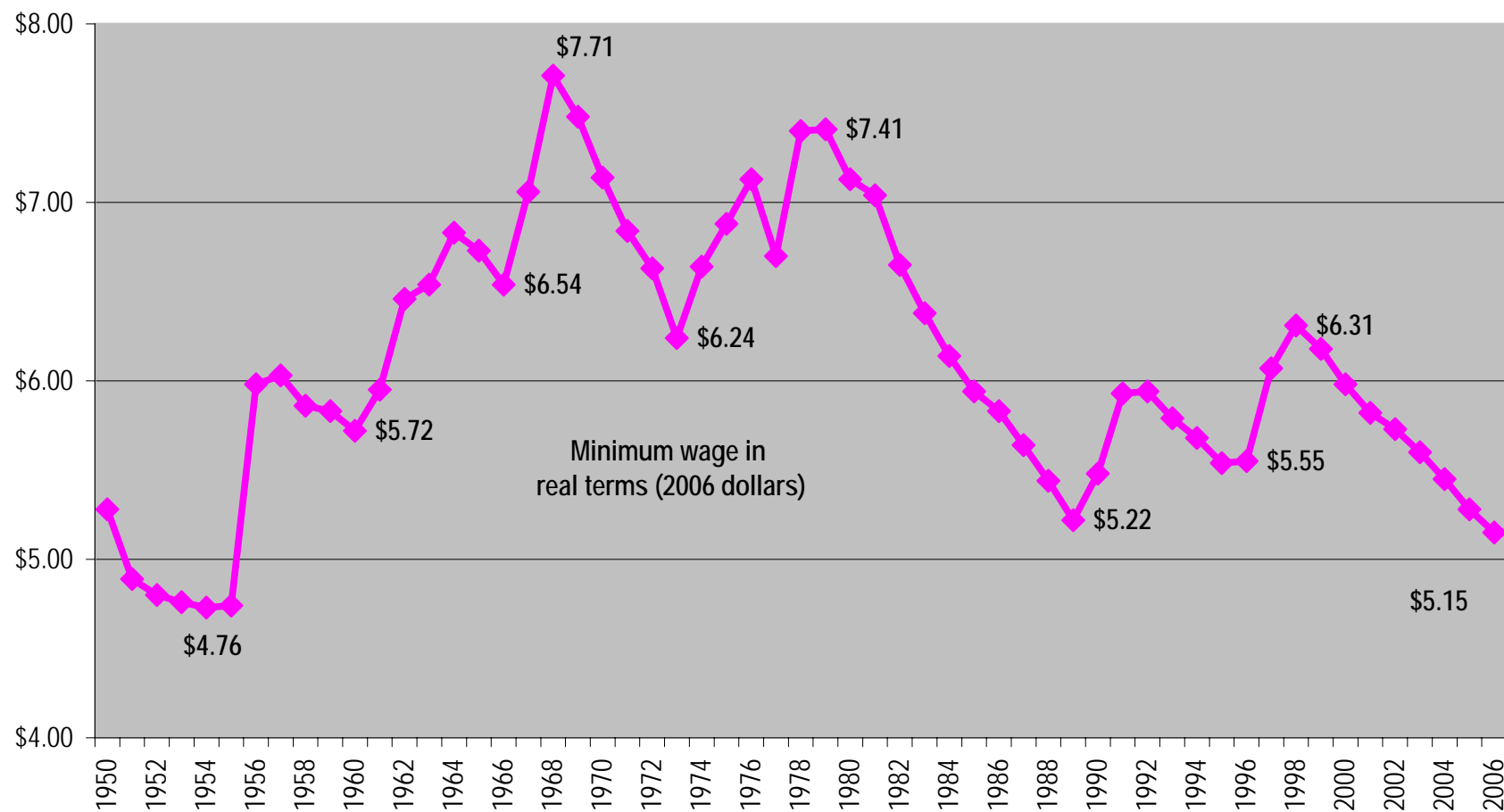
Note: Cost of attendance in 2001 through 2005 for a 4-year public college from the College Board. Cost of attendance estimated to increase 6% in each of 2006 and 2007, the 20-year average annual increase in college prices.

# Declining Wages: Family Living Expenses Have Increased Since 1997 While The Minimum Wage Has Not



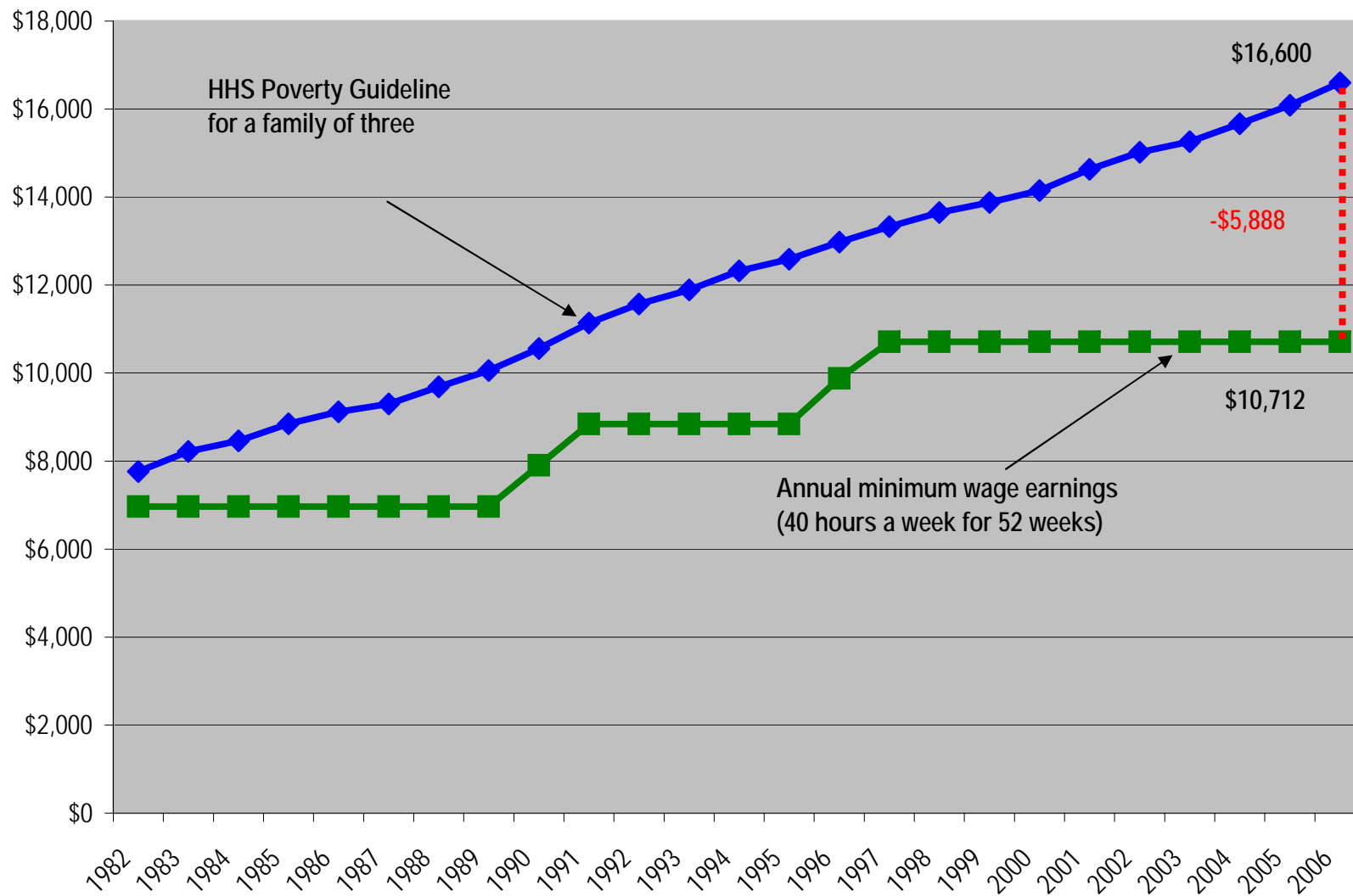
Sources: Bureau of Labor Statistics, Kaiser Family Foundation, College Board, Energy Information Administration.

## Declining Wages: The Purchasing Power of the Minimum Wage Is at Its Lowest Point Since 1955



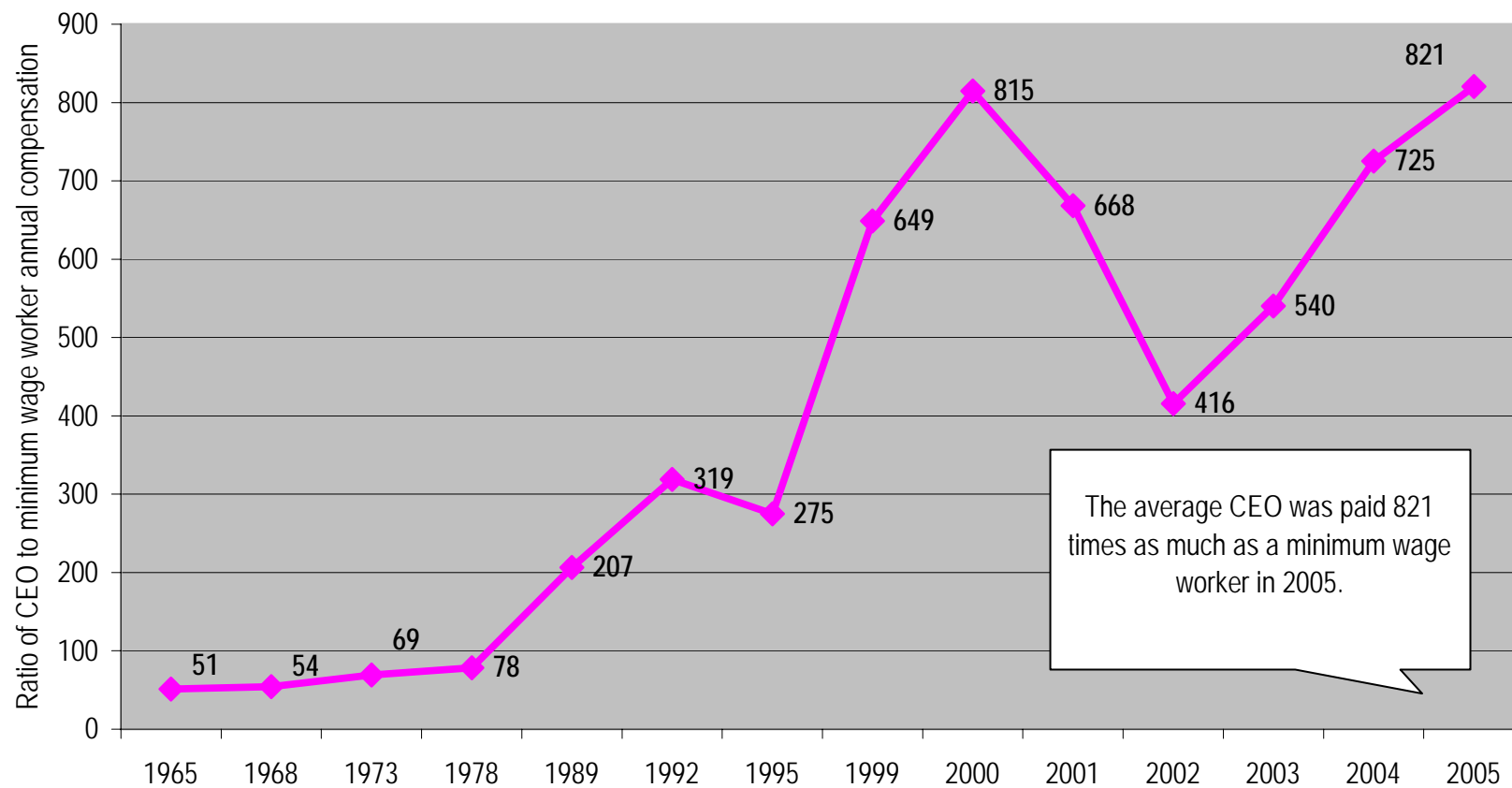
Source: Economic Policy Institute and Center for Budget and Policy Priorities, June 2006.

## Declining Wages: A Full-time Minimum Wage Worker Earns Less Than Needed to Lift a Family Out of Poverty

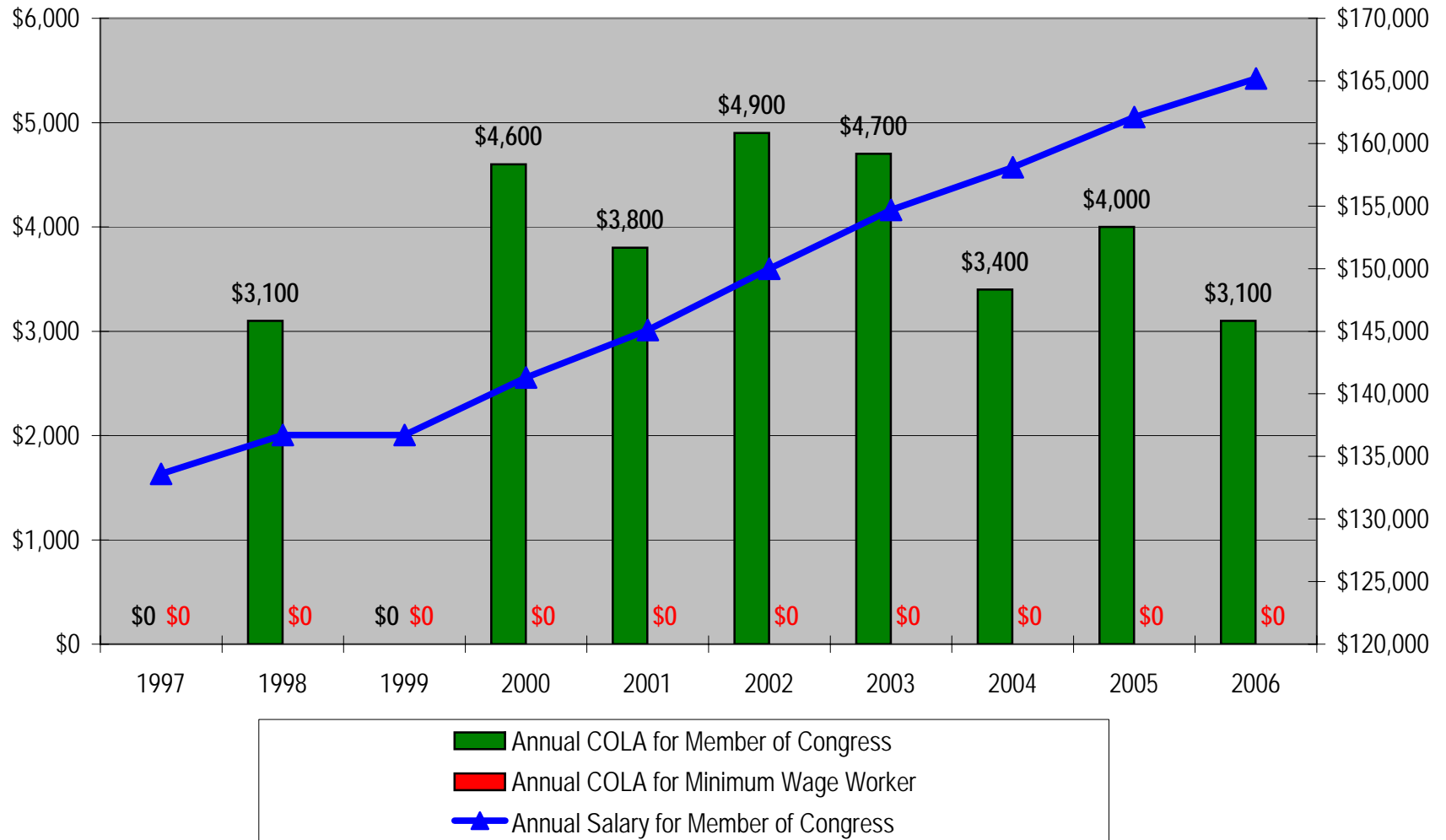




## Declining Wages: CEO Compensation Soars Compared to the Lowest Paid Workers

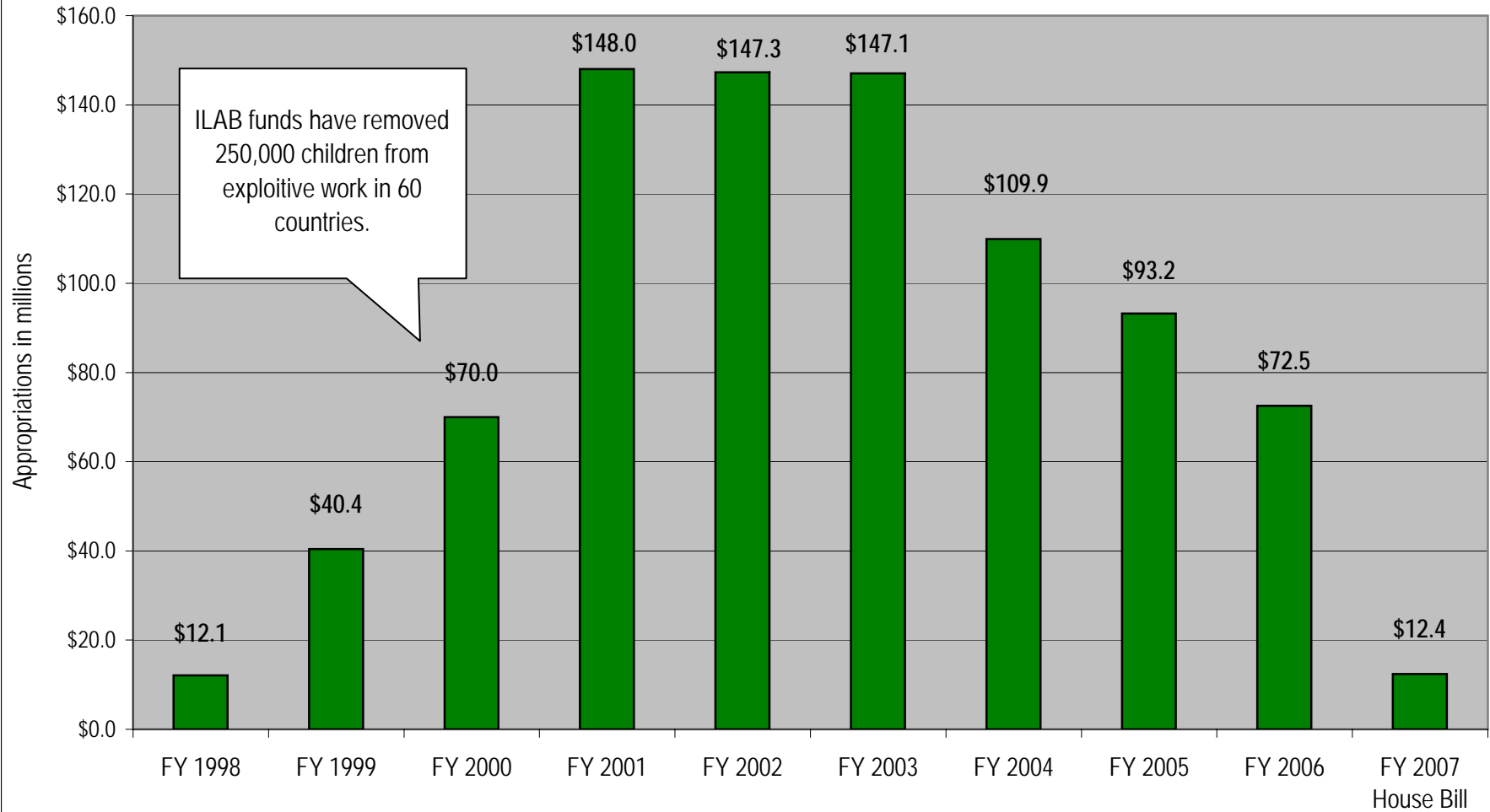


**Declining Wages:**  
Since 1997, Congress Received a Cost-of-Living Adjustment 8 Times  
But Froze Income for Minimum Wage Workers

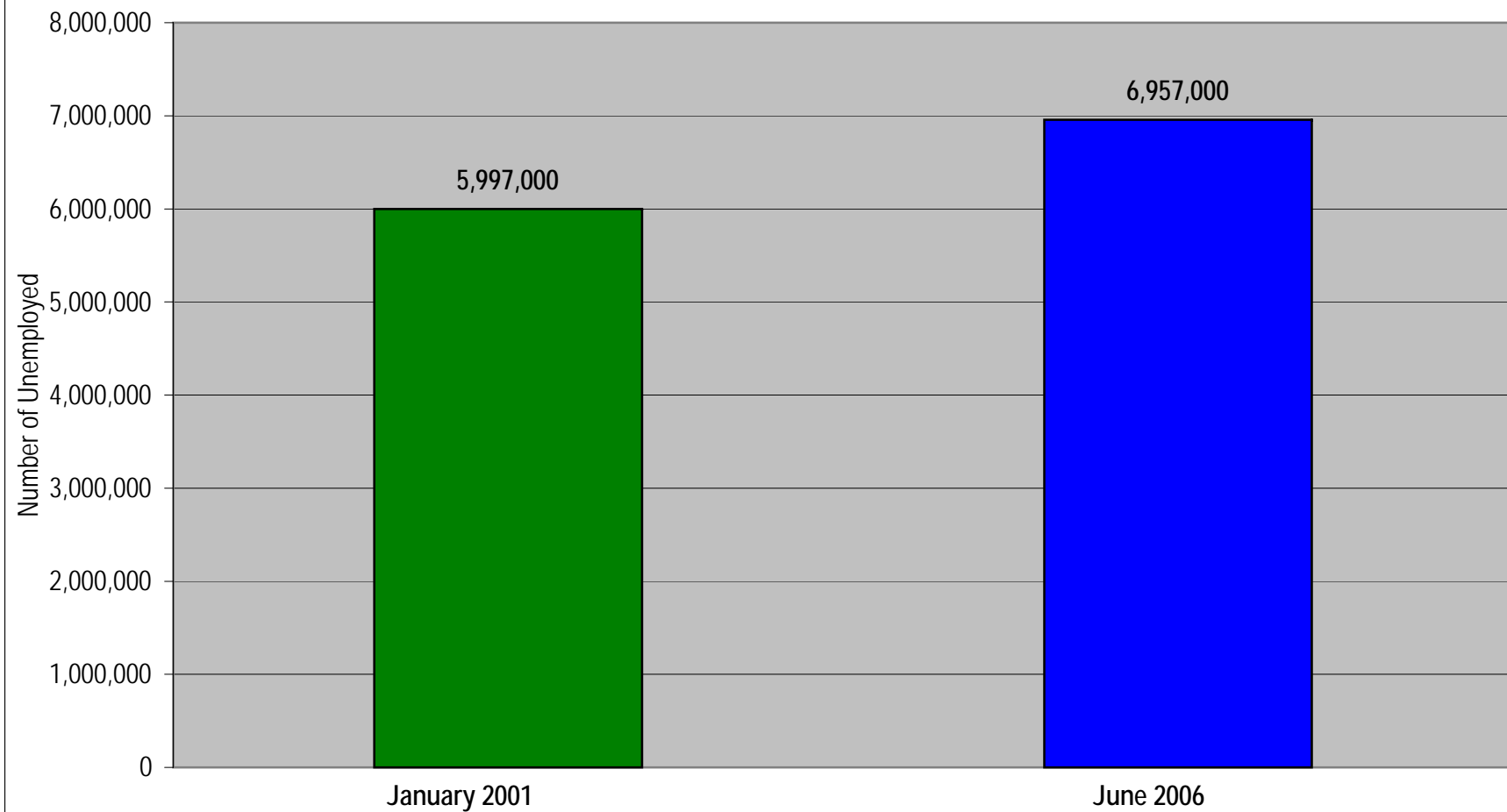


## Declining Wages: Funding to Protect American Wages Has Been Slashed under the Bush Administration

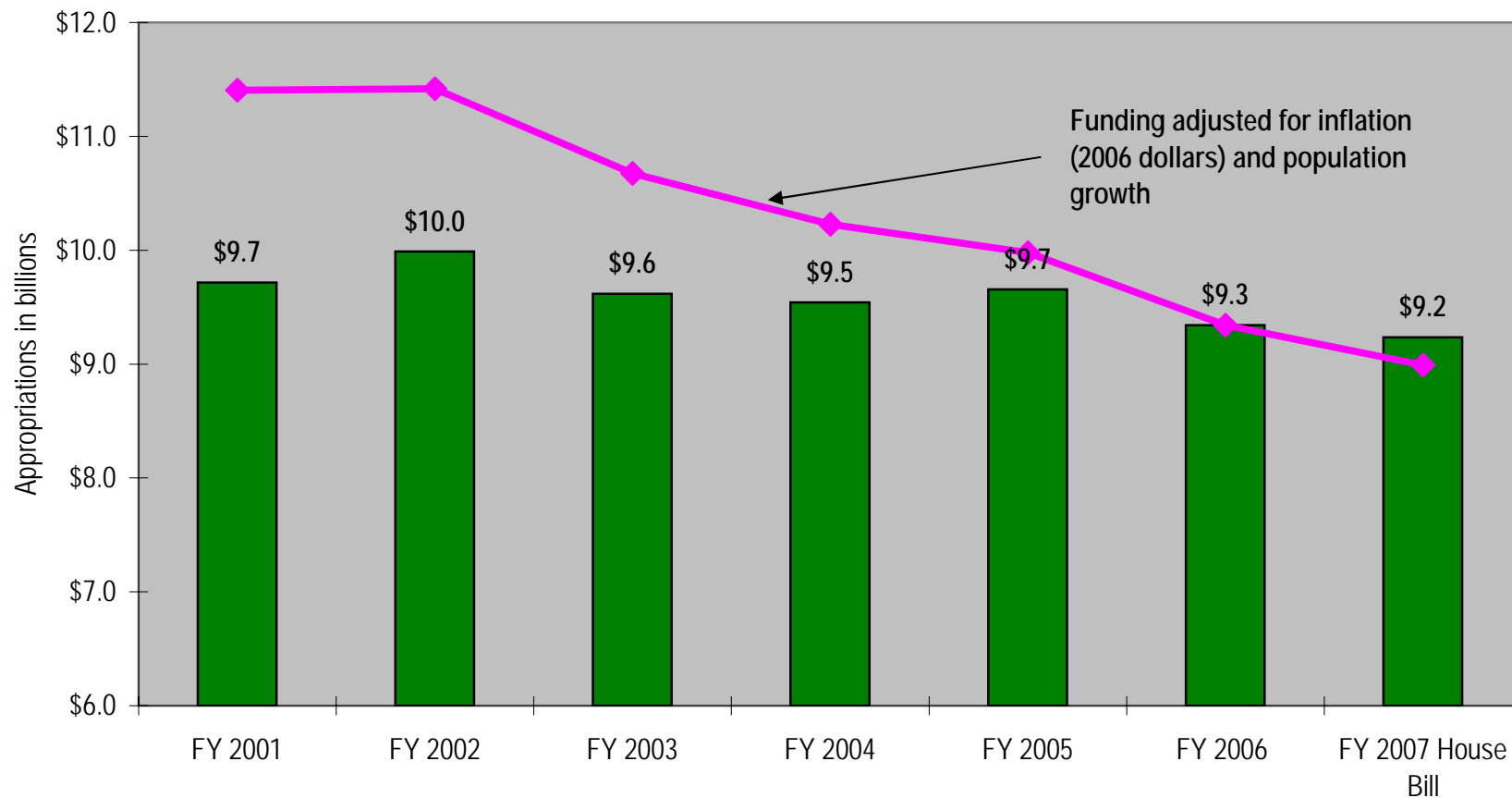
Bureau of International Labor Affairs (ILAB)



**Declining Wages:**  
**Nearly One Million More Americans Are Unemployed Than at the Start of the Bush Administration**

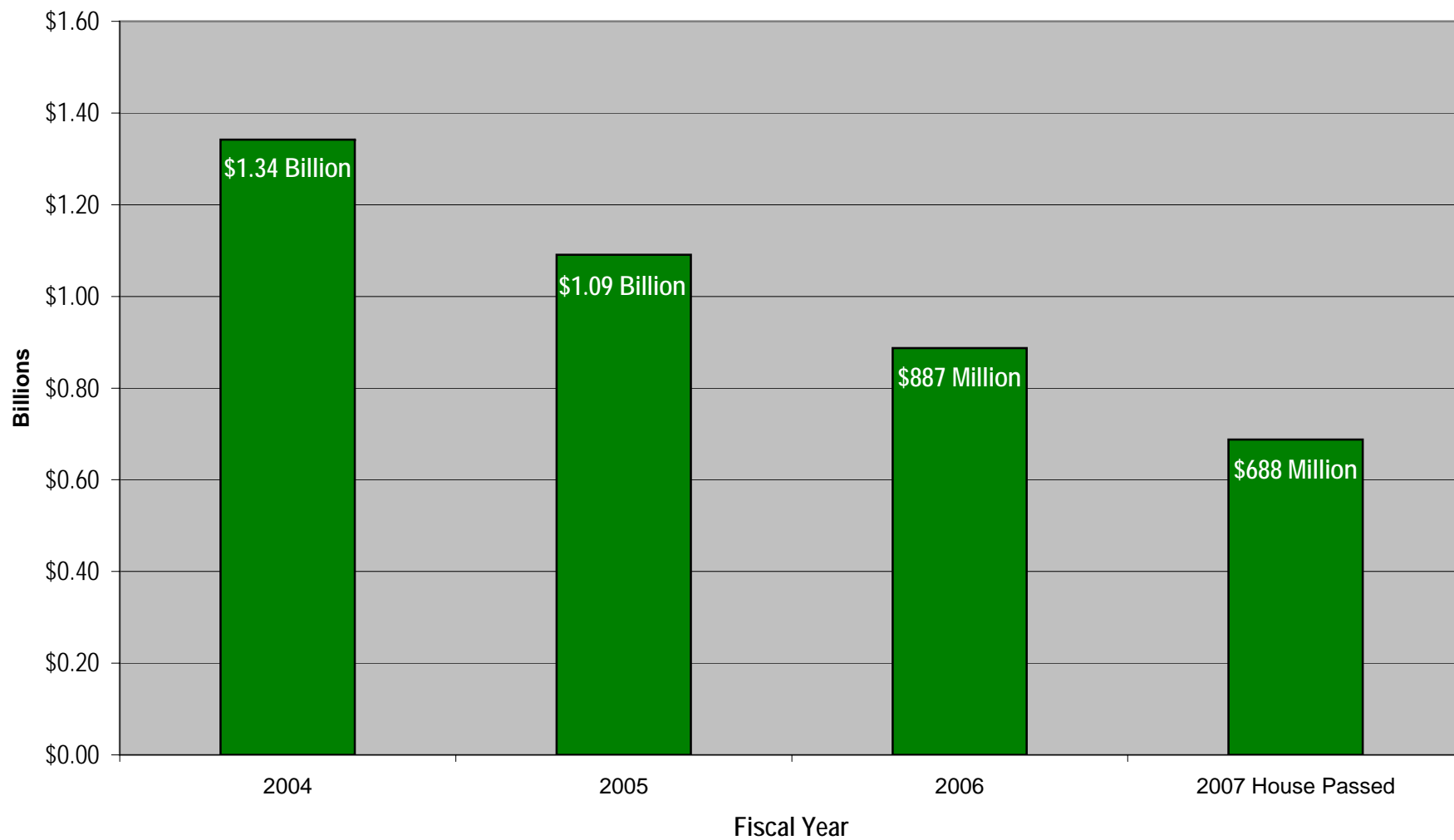


**Declining Wages:  
Funding for Training and Employment Services  
Has Declined 21 Percent in Real Terms Since FY 2002**

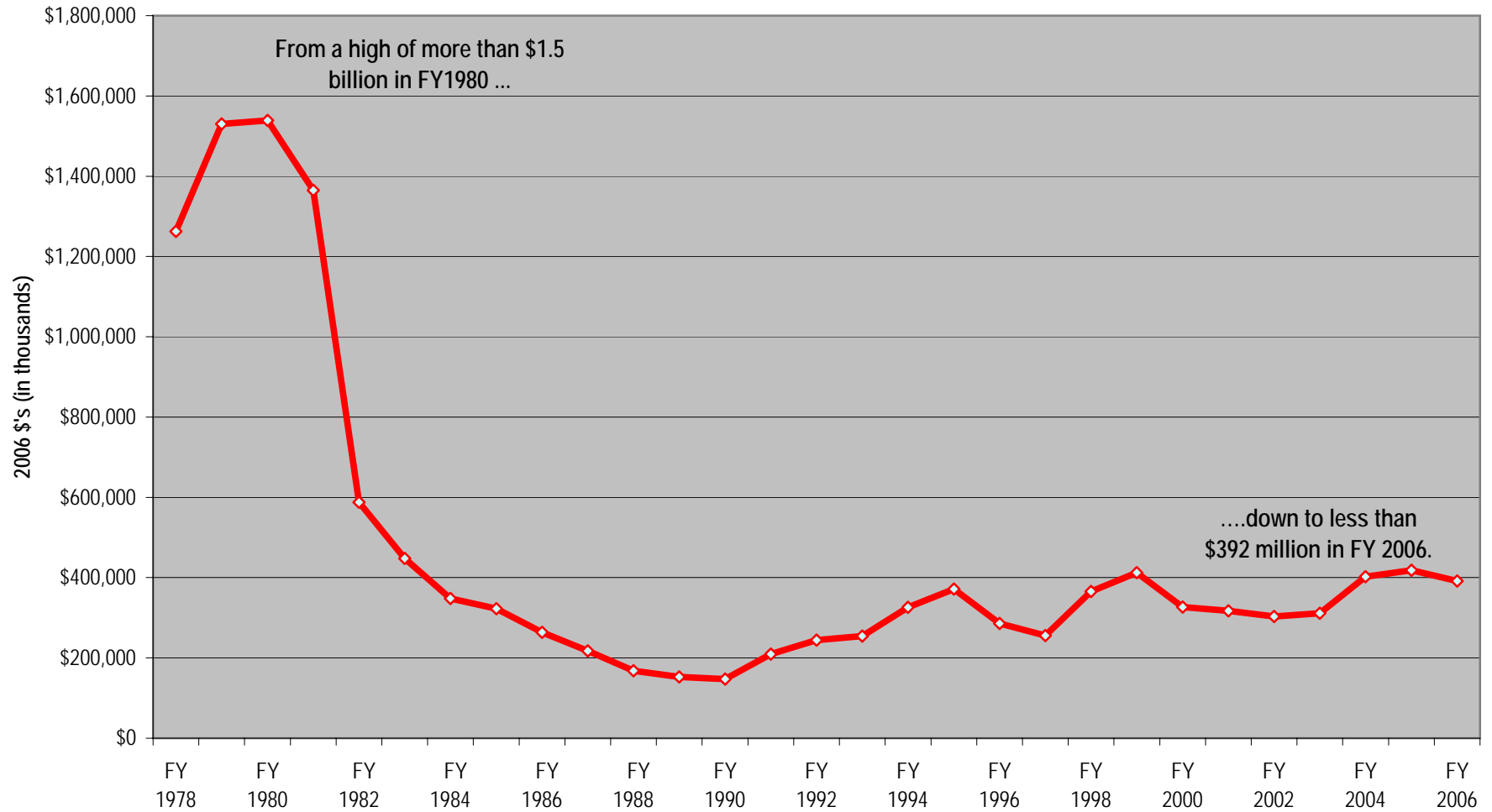


Notes: Discretionary program level for Department of Labor training, employment and unemployment programs. Excludes emergency appropriations for Hurricane Katrina and \$325 million rescission in the FY 2007 LHHS bill.

Poor Quality Water Supplies:  
Clean Water State Revolving Fund Cut by 50 Percent in Three Years

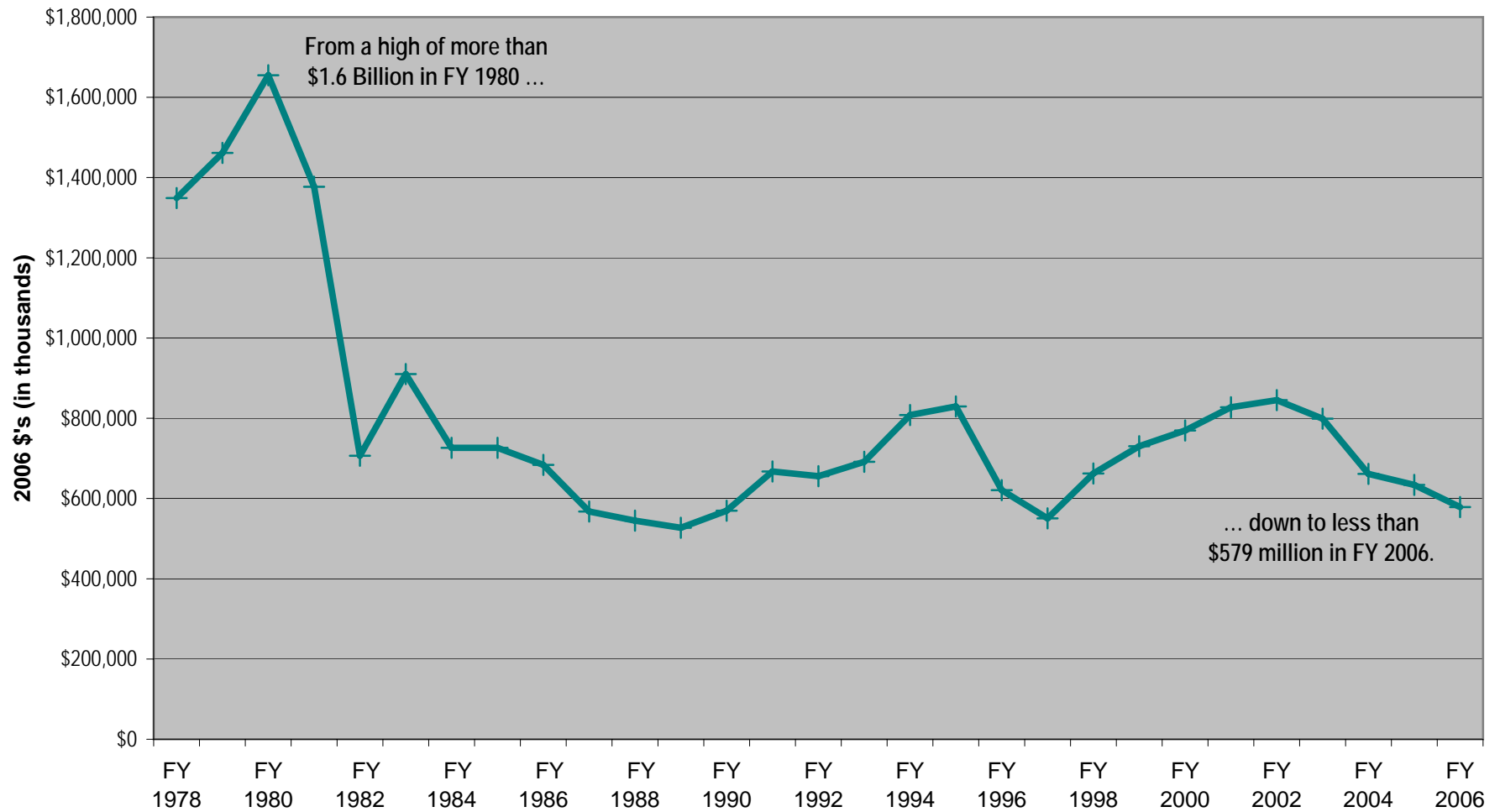


Exploding Gas and Energy Prices:  
Carter Era Energy Investments Guttled  
Total Renewable Energy Research, Development and Demonstration, FY 1978 to FY 2006

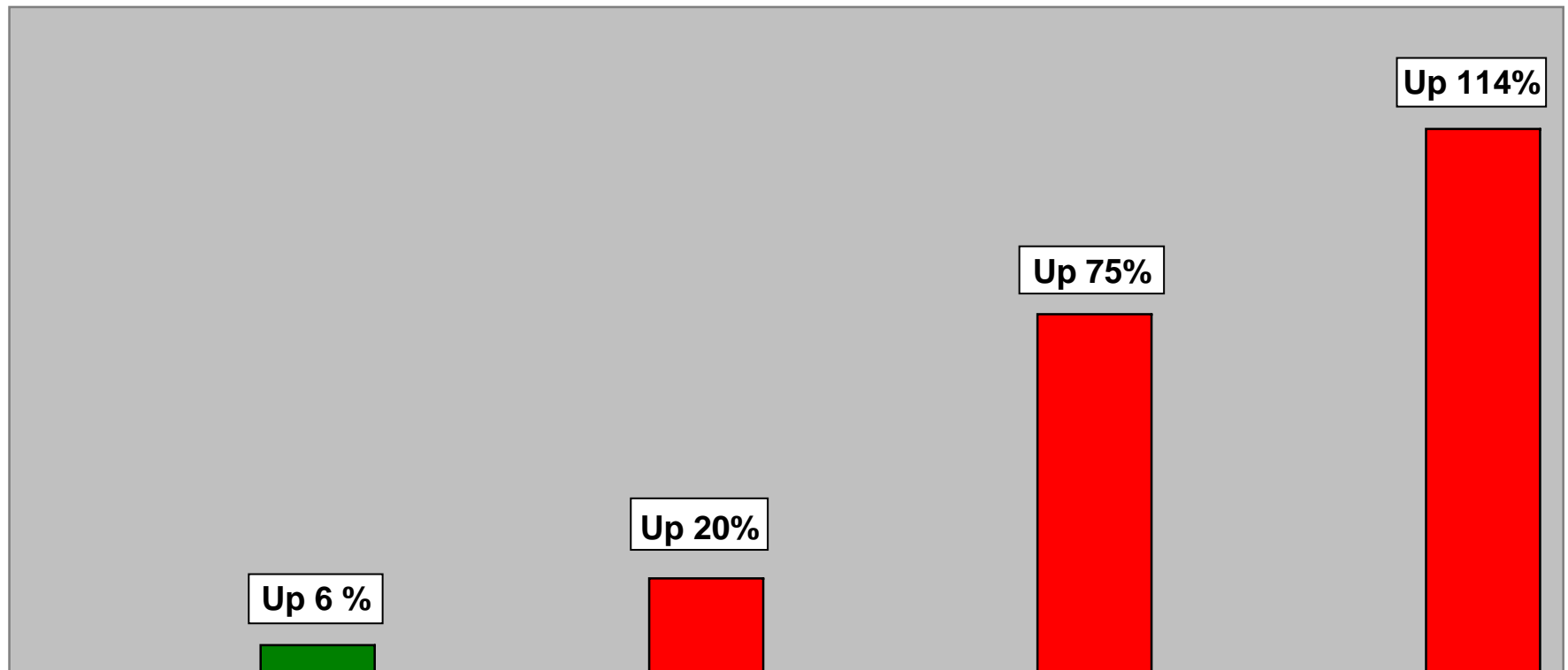




Exploding Gas and Energy Prices:  
Carter Era Energy Investments Guttled  
Total Energy Conservation Investments - FY 1978 to FY 2006



**Exploding Gas and Energy Prices:**  
**Low-Income Home Energy Assistance Program (LIHEAP) Falls Far Behind Increases in Fuel Prices**



Increase in LIHEAP  
Appropriation, FY 2002  
To FY 2007 (House Bill)

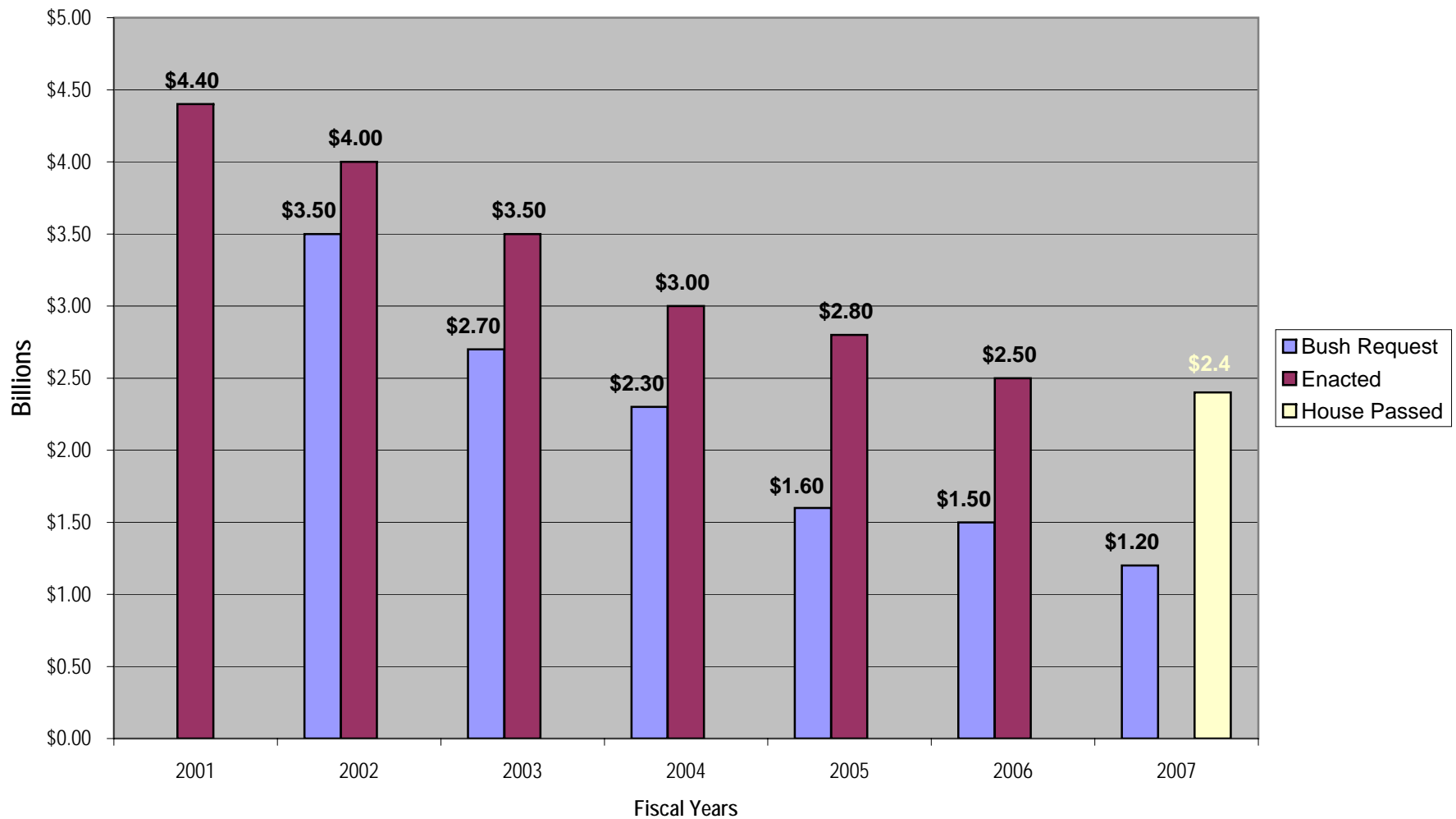
Electricity

Natural Gas

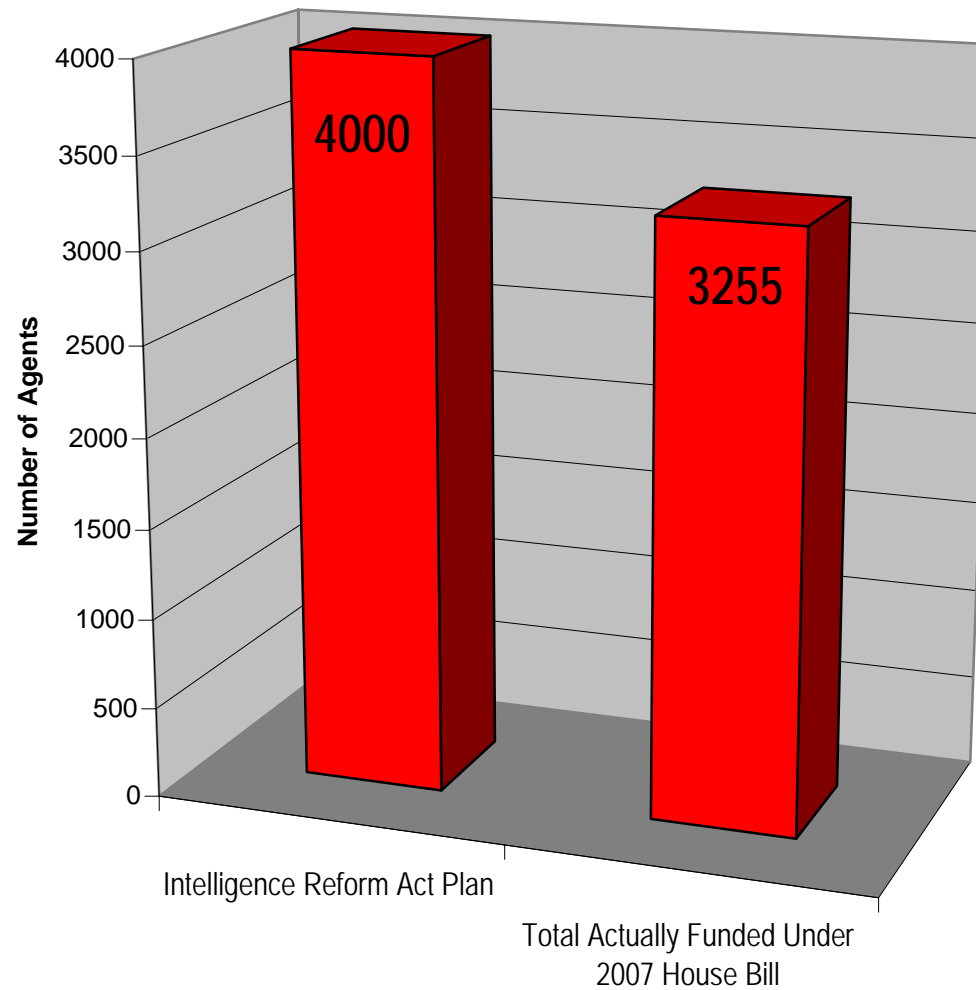
Heating Oil

Increase in Home Heating Fuel Prices,  
Winter 2001-02 to Winter 2006-07  
(using Energy Dept. projections for 2006-07)

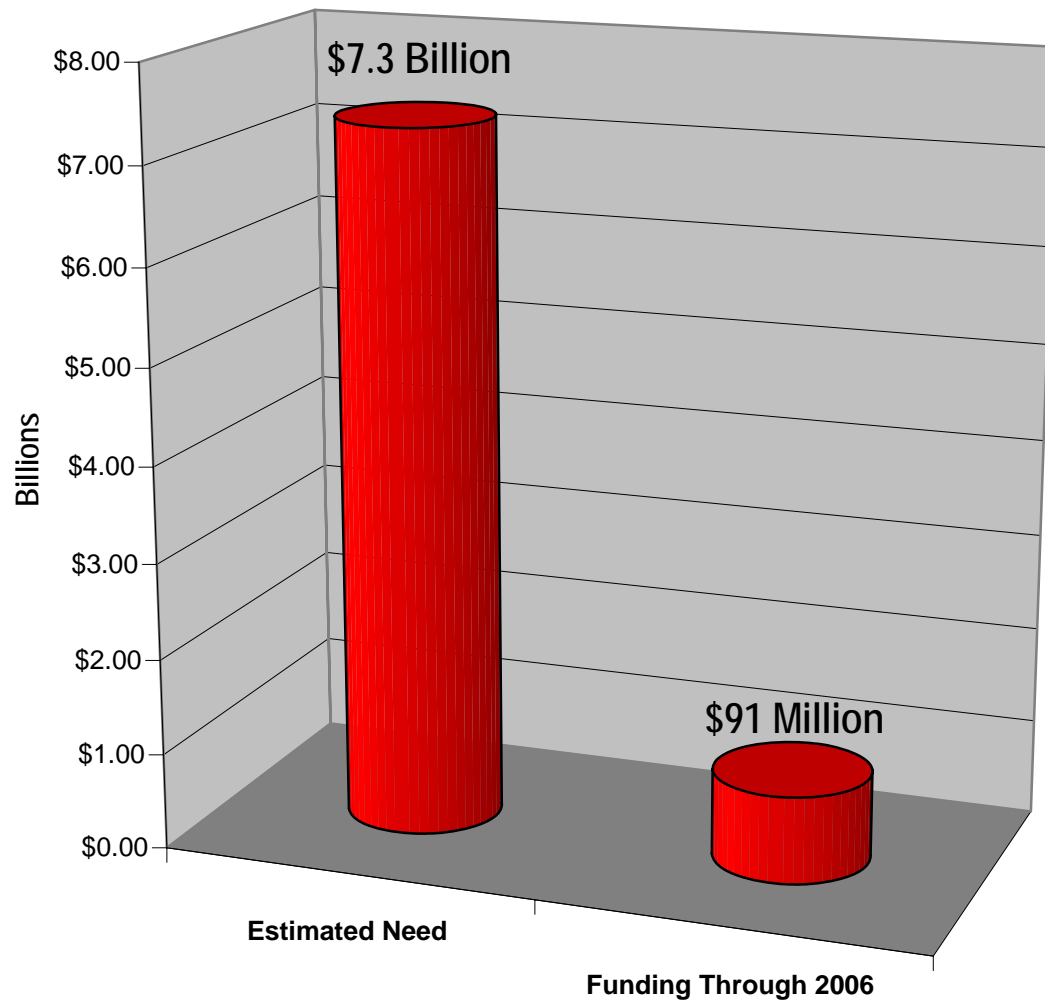
# Rising Crimes and Violence: State and Local Law Enforcement Funding, FY 2001 - FY 2007



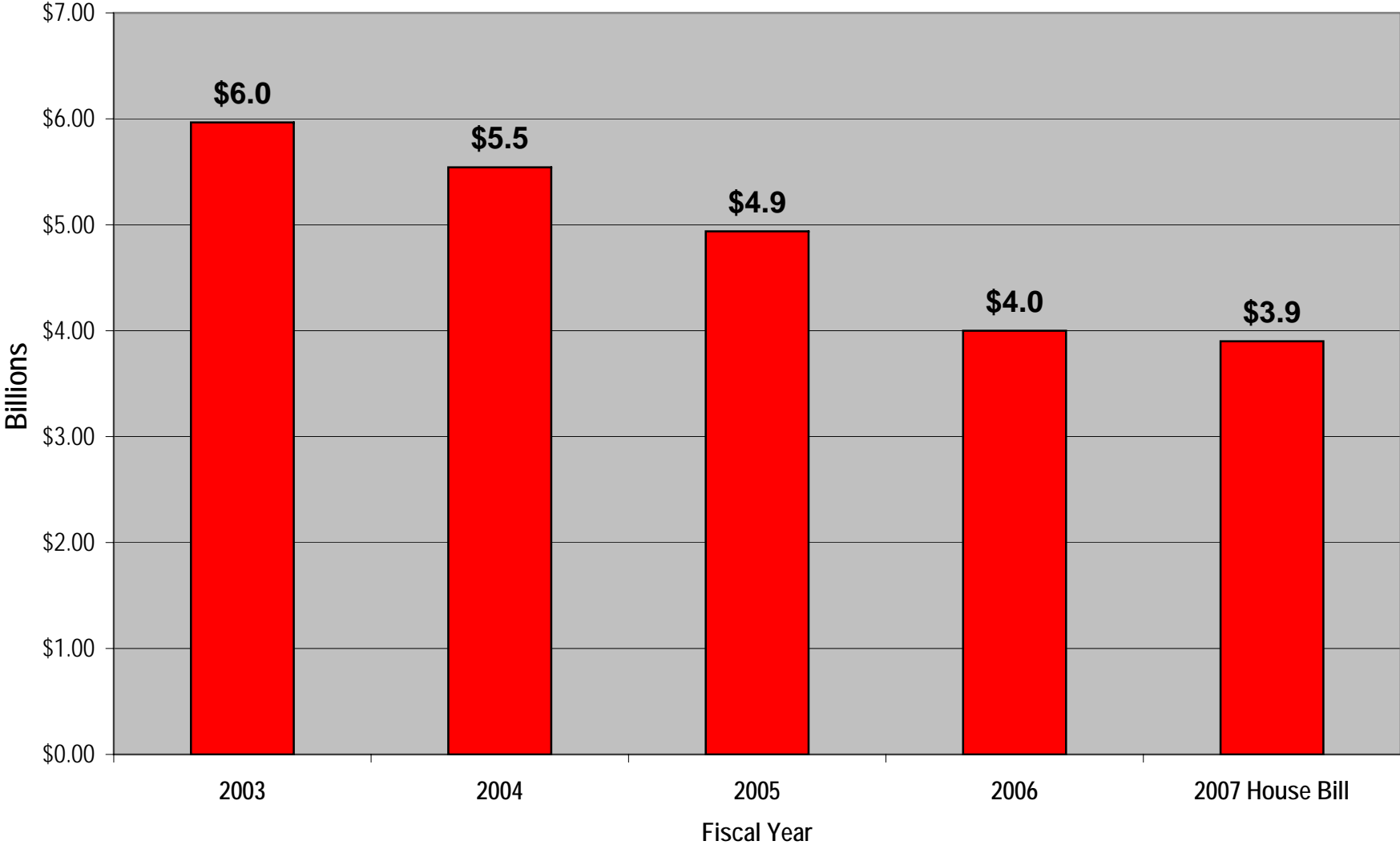
**Inadequate Homeland Security Protections:  
Congressional Republicans Provide Provide 20 Percent Fewer Border Patrol Agents  
Than Called for Under the Intelligence Reform Act**



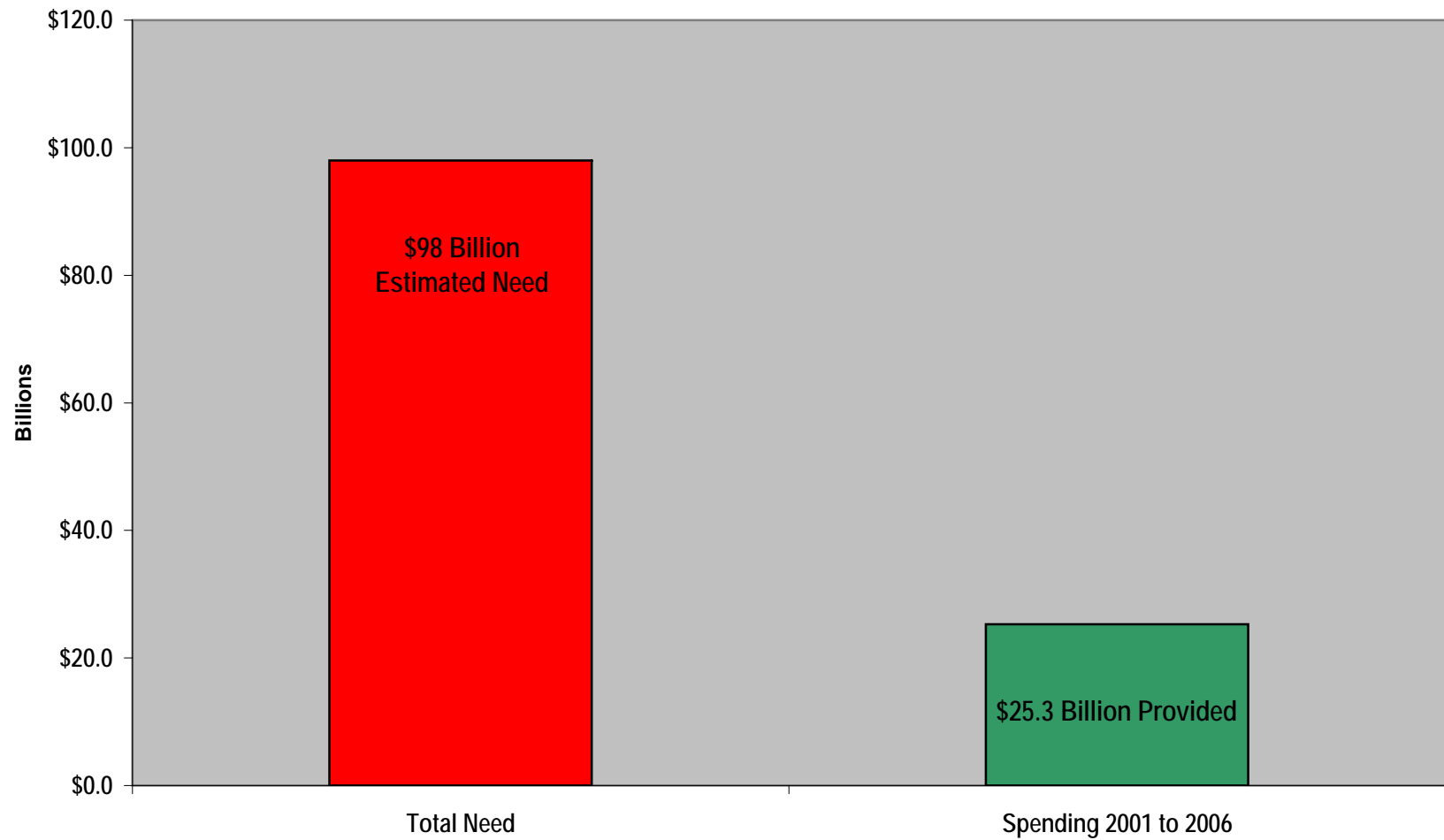
**Inadequate Homeland Security Protections:  
Port Security Improvements Would Take 30 Years to Complete at Current Rate**



Inadequate Homeland Security Protections:  
First Responder Preparedness Investments Down 34 Percent Since 2003

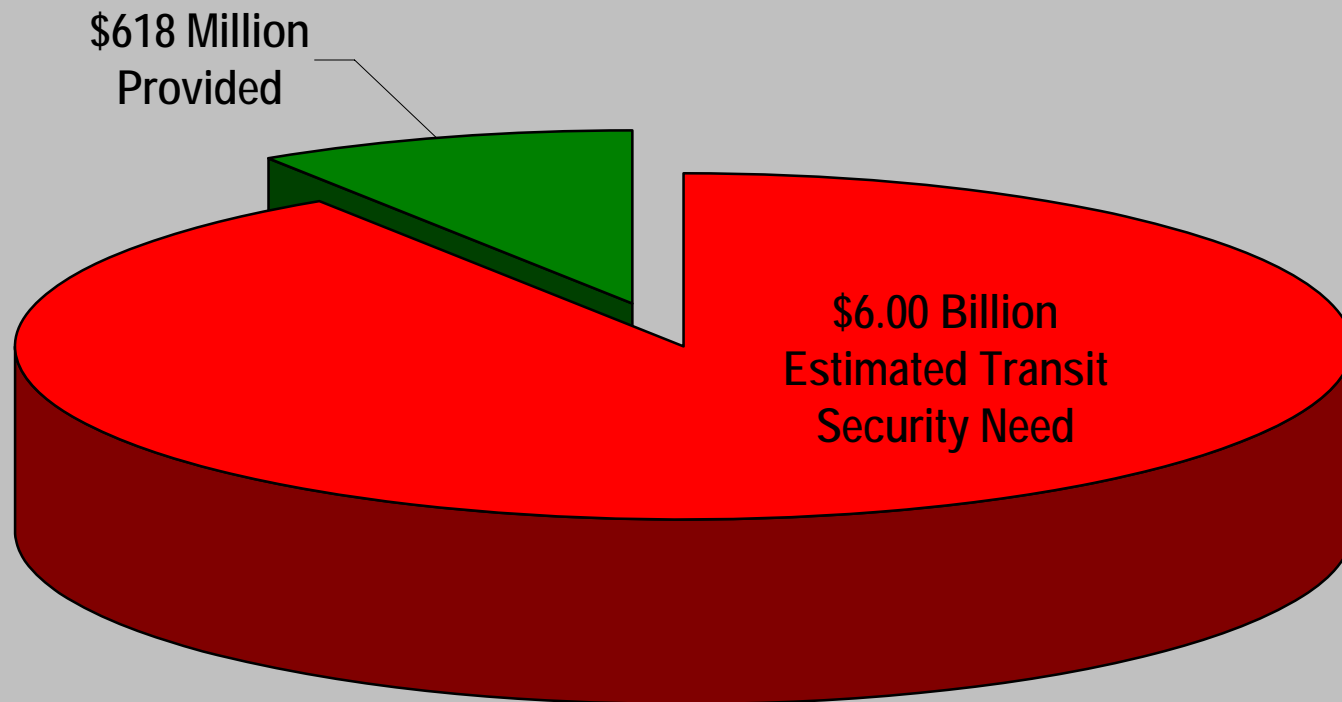


Inadequate Homeland Security Protections:  
Hart-Rudman Estimated Need v. Dollars Actually Spent  
on Firefighters, Police and First Responders

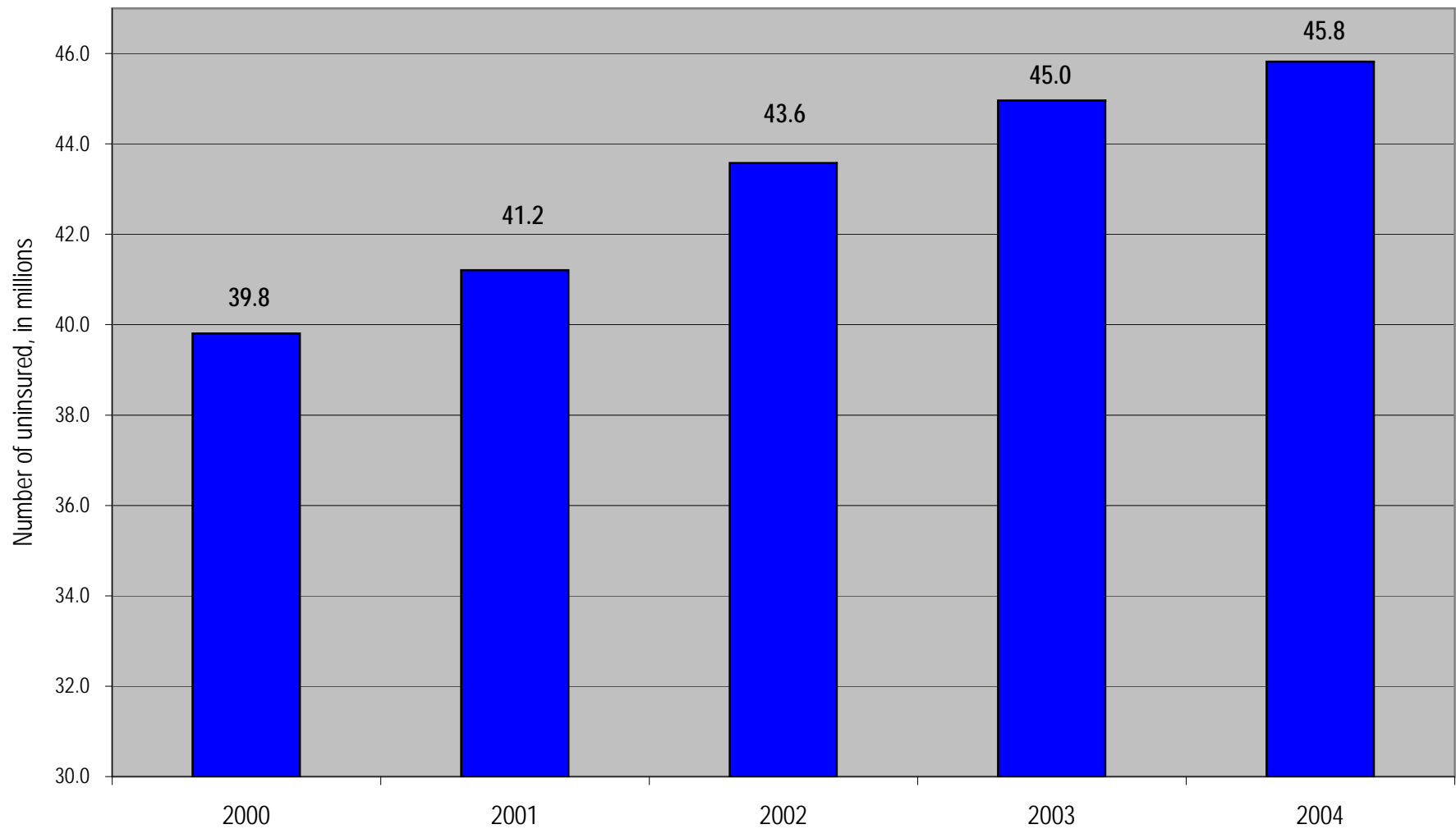




Inadequate Homeland Security Protections:  
Despite London, Madrid and Mumbai Train Bombings  
Transit Security Receives Lowest Federal Security Investment



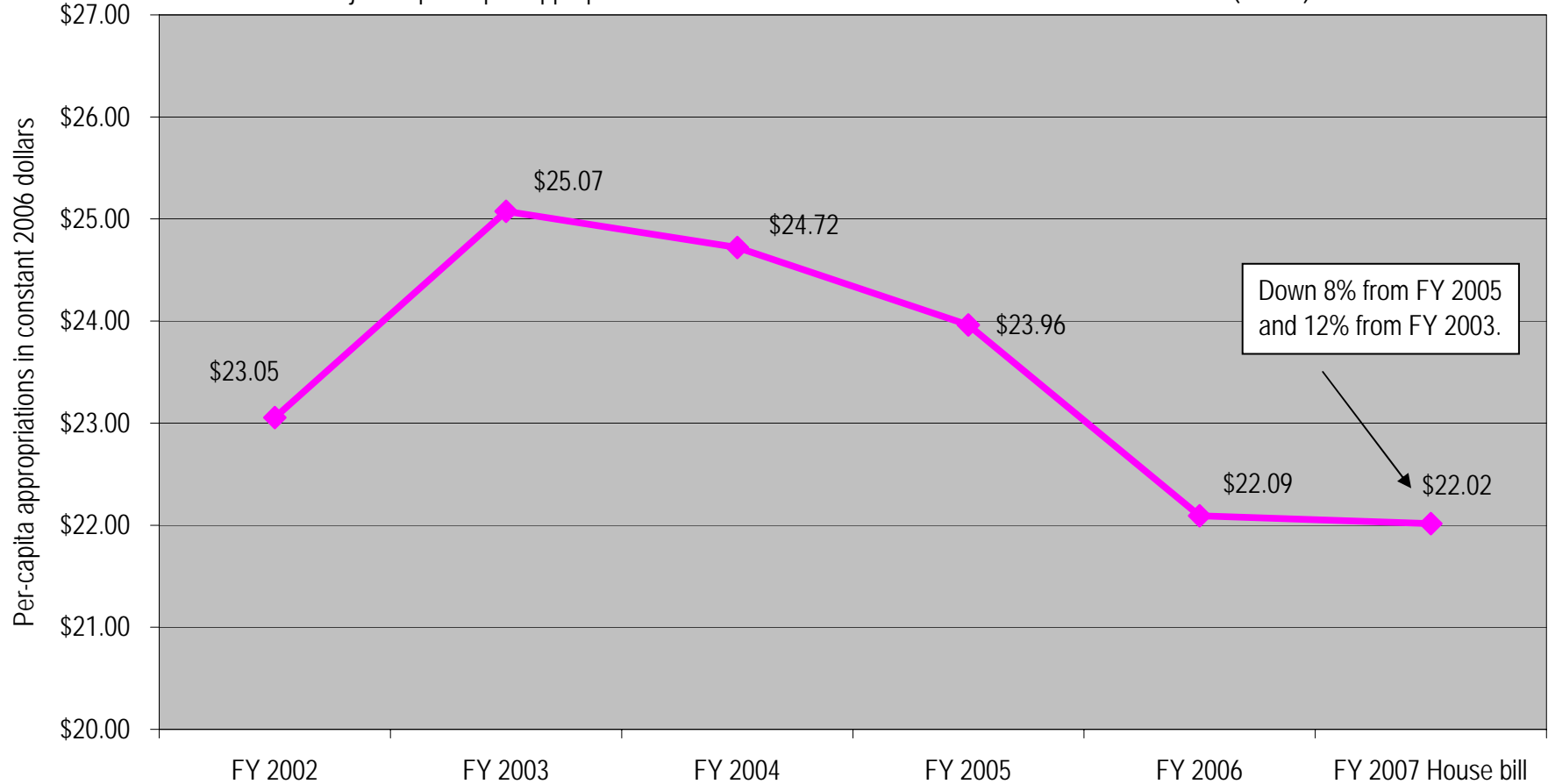
# Lack of Access to Healthcare: The Number of People Without Health Insurance Has Been Rising Steadily Since 2000



Source: Bureau of the Census, "Income, Poverty, and Health Insurance Coverage in the United States: 2004", Sept. 2005, Table C-1.

# Lack of Access to Healthcare: The Purchasing Power of Funding for Health Care Access Is 8% Less Than Two Years Ago and 12% Less Than Four Years Ago

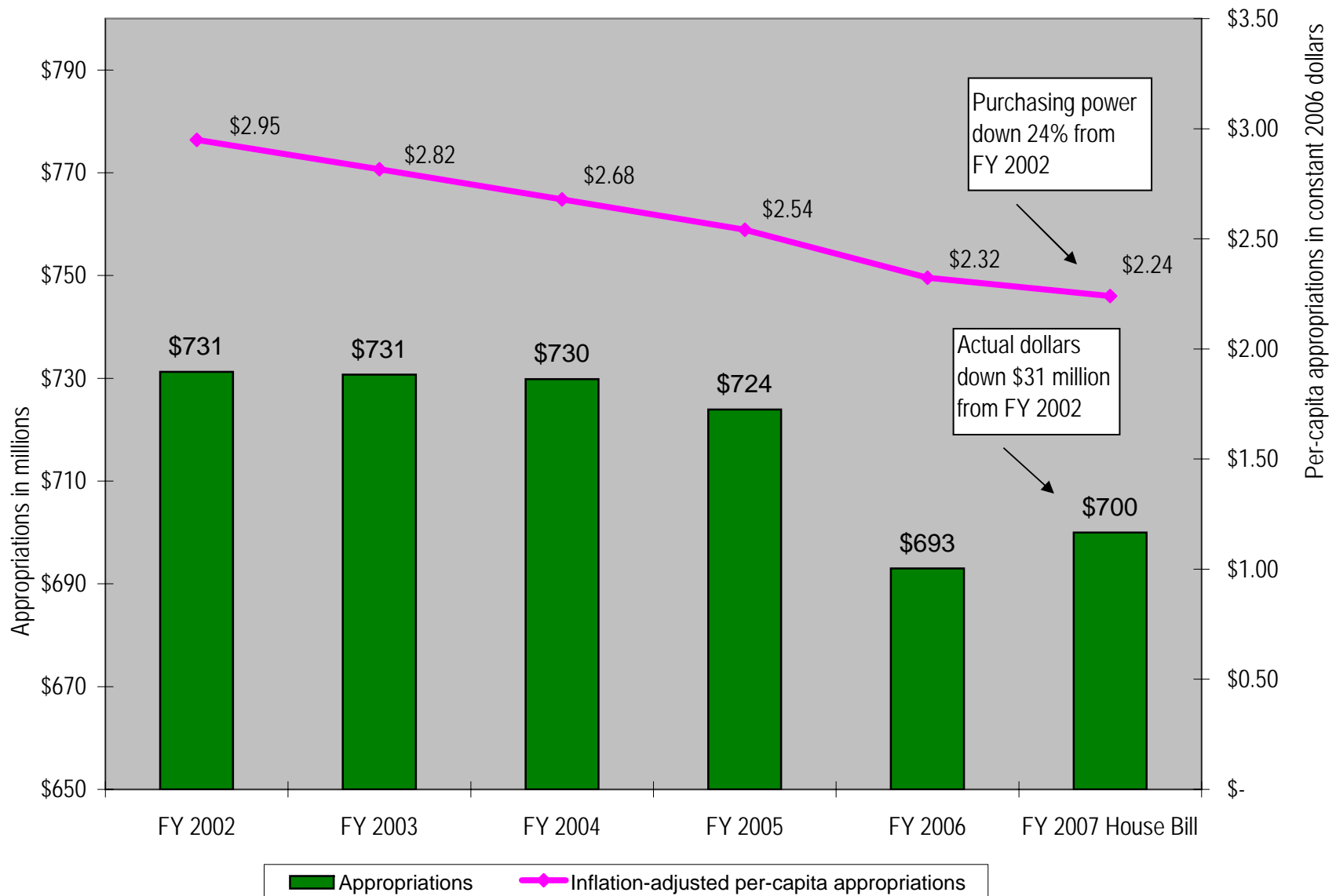
Inflation-adjusted per-capita appropriations for the Health Resources and Services Administration (HRSA)



HRSA's mission is to improve health care access. Its programs include community health centers, rural health improvement, maternal and child health grants, the Ryan White program for AIDS patients, and programs to train health professionals and increase the number practicing in underserved areas, among other things.

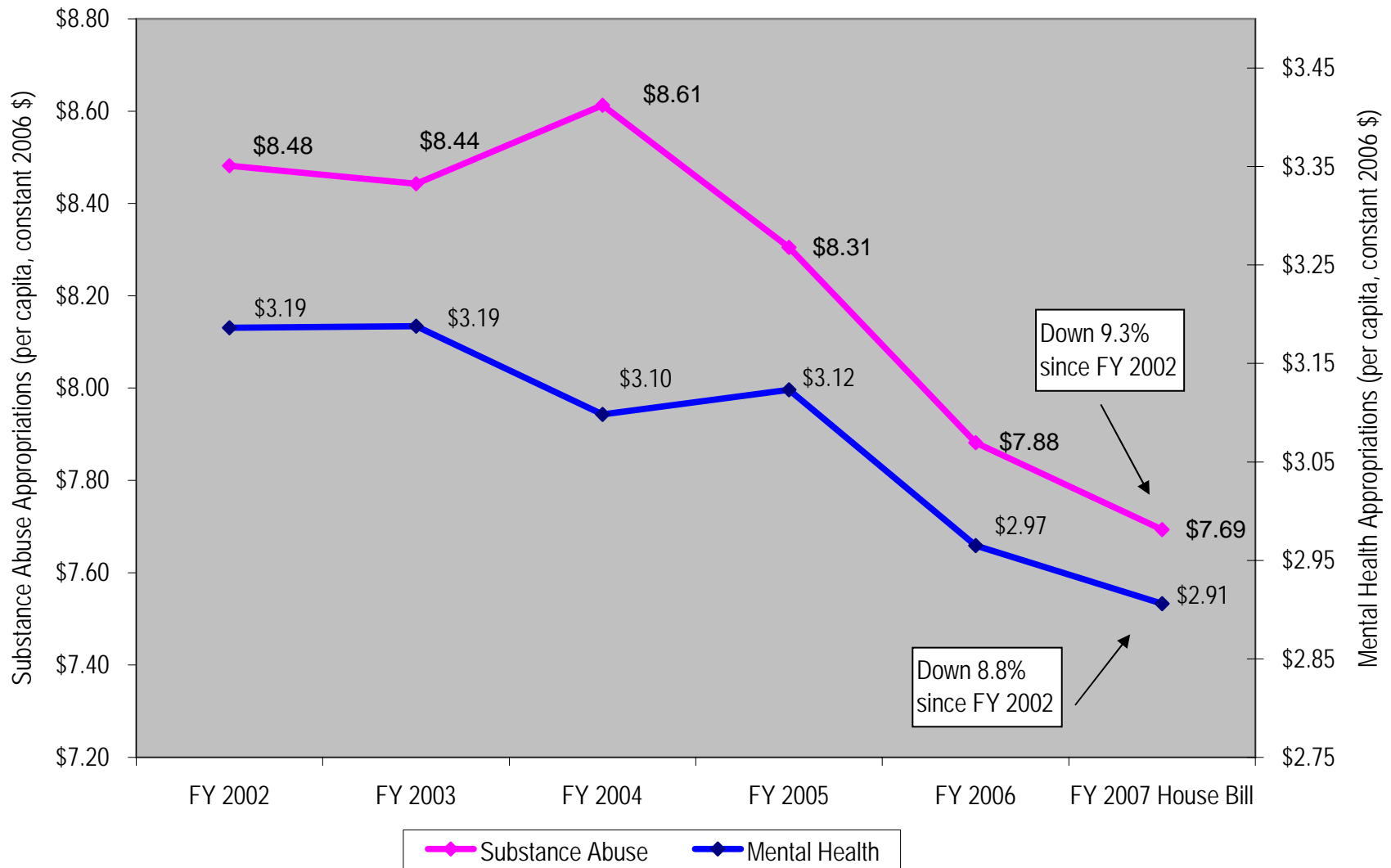
Figures in this table represent the overall HRSA budget excluding project earmarks.

## Lack of Access to Healthcare: The Maternal and Child Health Block Grant Has Been Cut Significantly



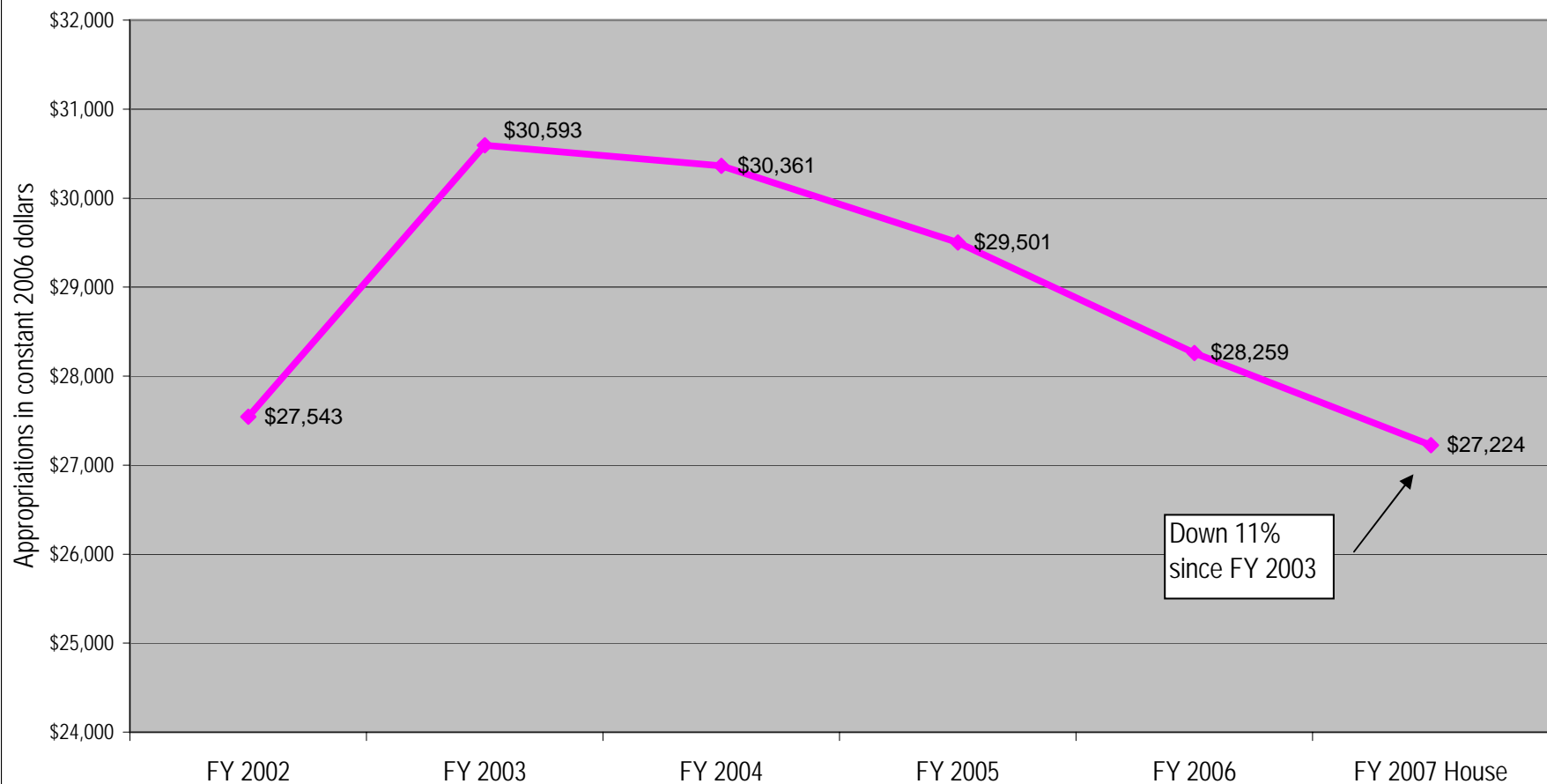
# Lack of Access to Healthcare: Purchasing Power of Mental Health and Substance Abuse Funding Has Been Declining

Inflation-adjusted per-capita appropriations for the Substance Abuse & Mental Health Services Administration



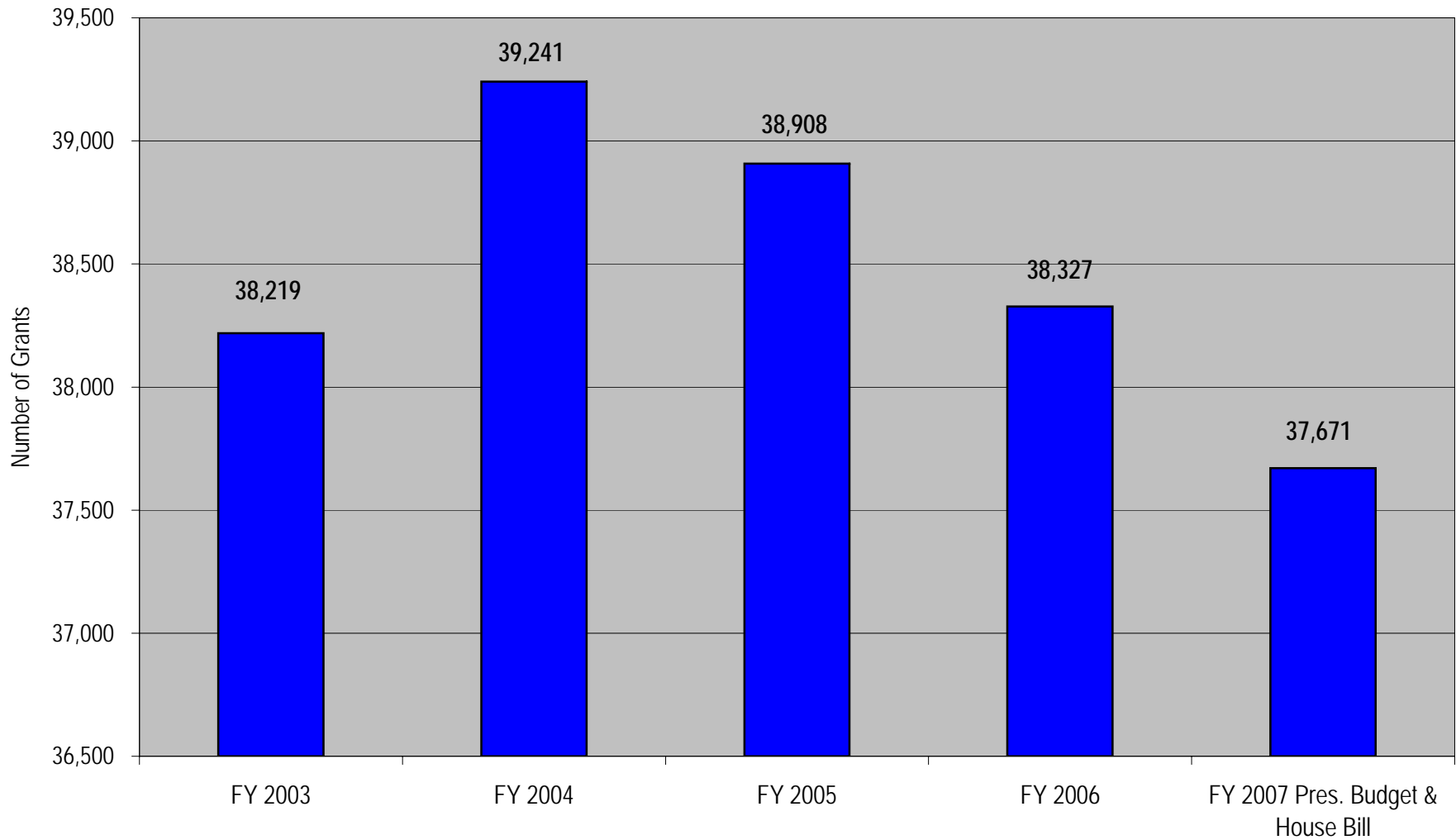
# Lack of Access to Healthcare: NIH Funding Has Failed to Keep Up With Rising Research Costs

Appropriations for the National Institutes of Health, Adjusted for Inflation in Biomedical Research Costs



Figures represent NIH funding provided in Labor-HHS-Education appropriations bills, excluding amounts for transfer to the Global Fund to Fight HIV/AIDS, Malaria and Tuberculosis. Inflation adjustments were made using the Biomedical Research and Development Price Index.

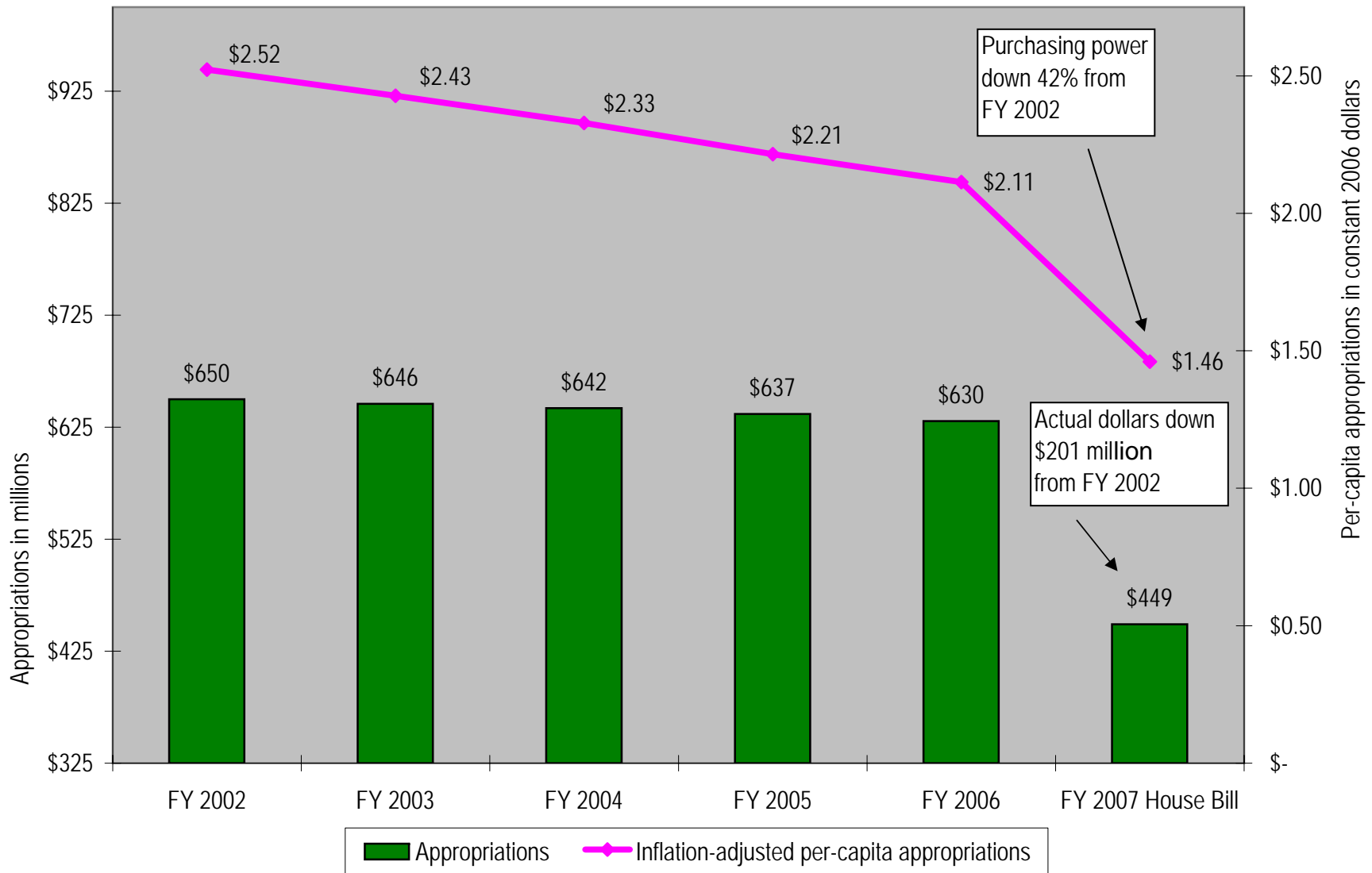
## Lack of Access to Healthcare: The Number of Research Grants Supported by the NIH Budget Has Been Dropping Steadily Since FY 2004



Figures include all Research Project Grants, including new, re-competing, and continuing grants.



## Community Services Block Grant: Down by 31% in actual dollars, 42% in purchasing power



## FY 2006 Iraq War Spending Versus Domestic Investments

